University of Alberta

Russian Higher Education: Changing Policy Perspectives and the Role of the World Bank, the OECD, and the IMF

by

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ABSTRACT

This study examines the higher education reform and changes in education policies in the Russian Federation adopted between 1992 and 2005 within the context of broad social and economic transformation of Russian society. Current higher education reforms are analyzed vis-à-vis economic and educational policies of the World Bank, the OECD and the IMF, which have been providing policy advice to the Russian government since the early1990s. From an analytical framework combining globalization, welfare and neo-liberal policy perspectives, the study identifies major ideological shifts in Russian education policy discourse and establishes a connection between the policy proposals of the international organizations and Russian education policies.

A critical discourse analysis was a research strategy used to make an interpretive document analysis of the World Bank's, the OECD's, and the IMF's policies and to examine changes in Russian educational policy discourse.

The analysis of the policy texts resulted in a number of findings concerning the main policy foci, the interpretation of globalization processes and the response to them, educational policy directions and dominant discourses. The examination of Russian policy documents indicates a shift in the education policy discourse which reflects the overall political reorientation of the Russian government away from a welfare state policy framework towards a neo-liberal state policy framework. The research also suggests the high degree of convergence between the recent educational policies proposed by the Russian policy makers and policies of the international institutions, which exert their influence through coercive, agenda-setting and discursive means.

In conclusion, the study offers several recommendations for national and international policy actors and provides suggestions for future research.

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CHAPTER 1

INTRODUCTION TO THE STUDY

During the late 1980s, the disintegration of the Soviet Union initiated dramatic changes in the political, economic and social spheres of the Russian Federation. For almost 20 years, Russia has been in transition from a centralized economy to a market-oriented economy. The end of centralized planning necessitated fundamental changes in the structure and modus operandi of many social institutions including those of education and science. Some experts compared the scale of the changes in Russia to those of the major Liberal reforms of the 1860s and the post-revolutionary radical restructuring of the whole educational system in the 1920s and 1930s in accordance with the new communist ideology (Deviatko, 2002). The political and social reforms of the late 1980s and early 1990s opened up a new era in the reform of higher education. In 1992, the government passed the *Law on Education of the Russian Federation*, which was later revised and supplemented by the 1996 *Federal Law on Higher and Postgraduate Professional Education* (referred to subsequently as *the 1992 Law* and *the 1996 Law*). Both laws laid down the state's principles and policies for general and higher education, stressing the importance of the democratization, decentralization, diversification and humanization of Russian education. Although criticized for being inconsistent and somewhat vague, the laws were a very important step for the policy makers, and, despite a number of amendments passed by the government during the past decade, they continue to be guiding policy documents for the Russian education sector. Some observers viewed the adoption of the new legislation as a starting point for radical changes in higher education policy and suggested that it allowed for a remarkable degree of institutional diversity (Woodard, 1997). Indeed, during the 1990s, a number of non-state institutions were opened across the country, signifying a shift from purely state-controlled higher education to a more diversified system of higher education in Russia.

Recent government policies have signaled the beginning of yet another phase in the state-higher education relationship, defining roles and objectives for education in the new millennium.

In 2000, Putin's administration announced that the state was "coming back to education" to give a fresh impetus to the education reforms. Newly adopted policies, *the National Education Doctrine of the Russian Federation* and *the Concept of Modernization of Russian Education* (referred to subsequently as *the Doctrine* and *the Concept*), defined "education" as a major factor in the country's economic development during Russia's transition into a truly democratic and lawful state. The government stressed its responsibility for providing the necessary conditions for large-scale reforms of the education sector, which intended to encourage higher educational institutions to be not only more innovative, but also more responsive to the needs of a globally competitive knowledge economy. More than ever, Russian education is being oriented toward the labor market and socio-economic requirements of the nation and global economy (Isakov, 2003).

The newly defined place for education in Russia is similar to the OECD's description of the role of education "as a powerful force in helping to maintain federal unity in building the new Russia with different political, economic and cultural values" (OECD, 1998a, p. 7). *The Concept* (Government of the Russian Federation, 2001) stated that education occupies a prominent place in the contemporary discussions of the revival of the Russian State. The present educational policies call not only for innovative approaches to teaching and administration but also for a radical shift in the values and role of higher education. *The Concept* stressed the importance of education in establishing a democratic society in the country and its transition to a well functioning market economy. According to the policy makers, the current education policy is designed to align Russia's national interests in education with the latest international economic and social developments.

The education reforms in Russia should be viewed in conjunction with other major processes that have been taking place in the modern world. Smyth (1996) argued that globalization has had a significant impact on higher education policy worldwide. Some of the challenges that Russian higher education has to live with, including a decrease in public funding, a demand for new university programs to meet economic needs, new approaches to management, and the "quality" movement, are internationally common themes. According to Daniel Matuszewski, the President of the International Research and Exchange Board (IREX), which provides support for Russian higher education, globalization pressures and technological advances are having a dramatic impact on how the society is structured and universities function. Such an impact, he continued, "is happening everywhere now, but with particular intensity in Russia" (as cited in Woodard, 1997, p. 4). In fact, Russia's case is unique in that educational reforms are taking place when the country is also trying to implement major political and social reforms while still struggling to overcome a long-lasting economic crisis affecting all spheres of life.

Many international organizations have been actively involved in educational reform, providing both financial support and exchange and training opportunities for Russian academics, students, and administrators. The beginning of such involvement is usually associated with George Soros, whose International Science Foundation (ISF) provided about US$ 130 million from 1992-1996 to support basic research in the natural sciences in the former Soviet Union (Dezhina & Graham, 2002). Such organizations as the International Research and Exchange Board (IREX), the British Council, the MacArthur Foundation, the Carnegie Corporation of New York, and the Open Society Institute (OSI) have been implementing other programs to assist higher educational institutions and provide international exchange opportunities for academics and students. Several organizations have established their offices in Moscow and regional centers and continue to support higher education and science. International agencies such as the Organization for Economic Co-operation and Development (OECD) and the World Bank have provided their expert and financial assistance for developing and implementing new educational policies and are expected to continue their involvement through various projects and loans.

Research Focus and Thesis Organization

My interest in pursuing this research stems from my personal background as well as my educational and work experience. My participation in projects sponsored by the European Union (TEMPUS) and the Soros Foundation and my knowledge of activities of other international organizations made me think about the role these and other organizations may play in the changes taking place in Russian higher education in the near future. During the initial stage of my research, I learned about many agencies (e.g., Open Society Institute (OSI), British Council, and European Training Foundation (ETF)) that have been actively involved with the former Soviet Union and Eastern European countries. Some of these organizations are working primarily with higher education institutions, while others operate on the government level and not only provide financial assistance to the policy makers but also participate in analytical and policy development work. For example, during the last two decades, the World Bank and the OECD have been providing policy advice to Russian policy makers, and the World Bank has been financing various educational projects in the country. Expert reports, analytical papers, and ready policy solutions published by these organizations have made them the virtually unquestionable authorities in the world. Through their statements on educational policy and numerous reports, the World Bank and the OECD bring the ideology of globalization and the market to center stage.

Although both the 1992 and 1996 laws on education guaranteed government support of education and free higher education, they also encouraged higher educational institutions (HEIs) to look for additional resources to supplement their budgets. The on-going economic crisis, inflation, and restructuring of major social institutions caused significant underfunding of public higher education. With budget expenditures well below required funding, universities, professors and students were left to survive on their own. At the 2002 UNESCO-organized forum in Kazakhstan, Russian officials acknowledged the long-lasting adverse situation in the higher education sector and its financing. In particular, they confirmed that the debt acquired by many higher educational institutions for utilities supplied in 1997-1998 was paid finally in 2000, and that this payment had been possible due to "close cooperation between the Ministry of Education, the government and the Ministry of Finance" (*Russia Higher Professional Education Development in Transition*, 2002, p. 3). Indeed, the budget expenditure on higher education in 2000 was estimated at 2.4 % of the total budget expenditure compared to the 3 % promised by the legislation on education passed in the 1990s (*Vuzovskie Vesti*, 2001). When analyzing budget allocations for education in Russia two issues need to be considered. First, public higher education institutions, to a large extent, rely on the state allocations covering professors' salaries, students' stipends, utilities and building maintenance, library services, and other institutional expenses. Second, the estimates provided by the Russian federal statistics agency, Goskomstat, indicated that education expenditure as a share of Gross Domestic Product (GDP) was 0.5 % to 1.0 % less throughout this period. Compared to the OECD countries, where the average expenditure lies between 5 % and 7 % of the GDP, education in Russia clearly has a lower priority (OECD, 1998a, p. 148). Obviously, the existing system of budget financing does not provide the higher education sector with an adequate level of funding. In addition, much criticism is directed at the institutions themselves for their poor financial management, inefficiency, and inability to attract additional sources of revenue.

Since the 1998 financial crisis, the Russian government has seemed to have opted for a different approach to reforming Russia's social institutions. Educational policies adopted by the Putin government signified a clear departure from the post-Soviet policy rhetoric of President Yeltsin. I was intrigued by the transformation of the official policy discourse that occurred during such a seemingly short period of time. The long-standing Socialist discourse has been replaced by that of the market, which is gaining prominence in every domain of life in Russia. I could not help but wonder about the possible ramifications of such a shift for the higher education system and society in general. My knowledge of the current issues surrounding higher educational policy development in other countries and the role of supranational organizations in the higher education sector around the world inspired me to examine Russian educational policies vis-à-vis these global forces. In this study, I wanted to explore the existence of any connection between the emerging education policy discourse in Russia and that of the global policy actors (the IMF, the World Bank, and the OECD), which have appeared as a new phenomenon on the policy landscape in the former Soviet Union.

Statement of the Problem

This study is concerned with how the Russian government has been implementing its new vision for higher education since the 1990s within the context of broad social and economic changes in Russian society. To address this problem, the study focuses on the policy documents and recommendations of the international organizations that have been providing policy advice to the federal government and the Russian education policies adopted between 1992 and 2005.

Since the beginning of the economic and social reforms in post-Soviet Russia, much research has been done on the transition process, focusing on the economic and political spheres. Although in the past years, issues of education reform in general and higher education reforms in particular have been addressed by Russian and international researchers and policy analysts, most of these studies have dealt with the impact of the recent laws on education on professors and students. A number of studies have examined the role of international aid agencies (e.g., the World Bank and the International Monetary Fund) in Latin America including Chili, Brazil, and Mexico. However, research on the impact of international agencies such as the World Bank and the OECD on the Eastern European higher education is limited. Therefore, in this study, I intended to accomplish the following goals:

1. To describe the recent transformation of Russian higher education.
2. To examine the activities of the major international organizations participating in higher education in Russia.
3. To analyze the education policy documents published by international agencies (the World Bank, the OECD, and the IMF) and recent Russian government policy documents on education.

4. To add to the research on the impact of international agencies on education policy making.

Significance of the Study

This dissertation has practical and theoretical implications for both international and Russian policy makers and those involved in higher education research.

Practical Considerations

While analyzing the higher educational policy documents of the World Bank and the OECD and the policy texts of the IMF, I identified specific areas that these agencies required the government to address in order to obtain loans and gain legitimacy in the eyes of the global education community. The analysis of the international and Russian policy documents suggested that a number of recommendations proposed by these actors were reflected in the on-going education reform in Russia.

The practical significance of the study consists of its implications for the Russian and international education community and policy makers and organizations involved in the research on policy and the development and support for the higher education sector in the Russian Federation and the Eastern European region. A knowledge of established connections between the policies of the international organizations and the Russian government is helpful for understanding the origin and direction of the current policy, the environment that influences policy-making, as well as the constraints within which modern education policies are being formulated and implemented in Russia.

Theoretical Considerations

Many scholars have noted the prominence of globalization and neo-liberal reforms across nations (e.g., Henry, Lingard, Rizvi, & Taylor, 2001; Olssen, Codd, & O'Neill, 2004; Zajda, 1999). However, according to Marginson and Rhodes (2002), little theorizing about or empirical analysis of the supranational agencies and activities through which these common policy changes are effected has been published. In this present study, Russian education policy was examined in order to understand the extent of current changes in policy discourse and their potential consequences for this sector and Russian society in general. I considered the forces and actors impacting the Russian nation-state and its higher education policies. The analysis of the Russian policy documents pointed to a significant ideological shift in the overall education policy discourse especially during the presidency of Vladimir Putin.

Research Questions and Organization of the Dissertation

My personal experience with the activities of international organizations such as the Open Society Institute (Soros Foundation) and the International Research and Exchange Board (IREX, USA) and with Russian higher education, which was the site of my career path for almost a decade, was central to this study's design. The investigation was guided by the following research questions:

1. *How have the policies in Russian higher education changed since the early 1990s?*
2. *What forces have shaped higher education policies in Russia since 1990?*
3. *What major discourses involving higher educational reform has the Putin government introduced, and are they similar to the discourses of the IMF, the World Bank, and the OECD?*

These research questions established the organizational foundation for this study. Chapter 2 provides a review of the relevant literature and the background for the study, and Chapter 3 establishes the analytical framework. Chapter 4 describes my role as the researcher, addresses methodological issues of the study, and provides a historic background of the Russian higher education system. Selected policy documents of the World Bank, the OECD and the IMF are examined in Chapter 5, and the education policy documents adopted in the Russian Federation since 1990 are analyzed in Chapter 6. Significant findings of the study are discussed in Chapter 7. In Chapter 8, I provide overview of the study and conclusions, address the research questions, and offer recommendations and personal reflections.

CHAPTER 2

REVIEW OF THE LITERATURE

This literature review is divided into two sections. The first section deals with the literature concerning contemporary issues in Russian higher education and the changes that took place during the past two decades. The second section addresses the role of international organizations in Russian higher education's transformation and the global trends in Russian higher education. In this study, the significant issues are the higher education reform and the role of international organizations in changing the profile of higher education in the Russian Federation.

Introduction

During the 1990s, despite a decade of decline in the economic and social spheres of Russian life, most Russians still felt proud about their education system (Dobrynina & Kukhtevich, 2002). Reports and articles on higher education recognized its significance in the future of the country and its citizens (e.g., Canning, Moock & Heleniak, 1999; Kishkovsky, 2000; OECD, 1998a). Regarded as an important condition for Russian society to flourish, education was perceived as a powerful force in helping maintain federal unity and building the new Russia with different political, economic, and cultural values (Kovaleva, 1999).

Once a poor country of illiterate peasants, Russia has succeeded in raising the educational attainment of its citizens by extending access to general and higher education throughout its vast territory. By 1994, the higher education system consisted of more than 540 state higher education establishments including specialized institutes, academies, and classical universities (Hare & Lugachov, 1999). Some of the most impressive educational accomplishments of the Soviet years include very high literacy levels among the general population, the expansion of higher education, and the establishment of a number of world-renowned higher education institutions (OECD, 1998a; Zajda, 2003). However, the centralized control and management inspired by the previous state ideology with its emphasis on the central planning, as well as the years of economic stagnation, have undermined the development of the higher education sector. Inefficiency, inertia, and horrendous bureaucracy were typical features of higher educational institutions, which came under the jurisdiction of over 70 different ministries and organizations (Avis, 1990). Open discussions about the faults of the previous governments' planning and management exposed many insufficiencies of the higher education system and the need for major sector reforms.

Higher educational institutions, like other public institutions in the Soviet Union, were managed and financed by the federal government. Besides providing education to the citizens, universities promoted the ideology of the Soviet state and did not have much autonomy in either what or how they taught. Centralized management presupposed a strong degree of homogeneity in how the universities were organized, funded and staffed. Under the Soviet regime and during the Cold War, the system of higher education was a part of the government's strategy to maintain a balance between "them" and "us." All universities were state-managed through the federal ministry responsible for higher education and specific sectoral ministries. The government specified and closely monitored operational principles and procedures. The Ministry of Education and the state planning committee, Gosplan, centrally approved budgets, rectors' and chairs' appointments, the content of education, and the number of students (Beliakov, Lugachyov, & Markov, 1998). In the Soviet times, educational institutions were expected to produce qualified specialists for the Soviet State and industry. For decades, the state emphasized the preparation of specialists in sciences and engineering, who were badly needed for the economy, which suffered enormous human and industrial losses during World War II. Russian higher education – its organization, function and link to society – was designed to meet the needs of the centrally planned economy (Bain, 2001). As a result, the so-called "hard sciences" were considered priority areas, as science and technology enabled the country to achieve excellence in many fields of industry and brought tangible economic benefits. The humanities did not have the same status as they did in many Western universities (Zajda, 1980).

In the late 1980s and early 1990s, hurried attempts were made to Westernize Russian education by offering new courses in organizational management and administration. The ideas of democracy, humanization and individuation became the three popular slogans of the post-Soviet education reforms, challenging the hegemony of Marxism-Leninism in schooling, authority and curricular control. At the same time, these early attempts at reform reflected a lack of vision, political opportunism, a crisis of identity, and the absence of pragmatic teleological goals (Zajda, 2005).

While some of the results of the educational reform, including new legislation, expansion and diversification of the system, were impressive, the process that brought these policies was conflict-laden and dramatic. Kovacs (2000) argued that education, which had been a highly ideological field during state-socialism, especially in its first decades, almost immediately became one of the most important battlegrounds for the political parties and the various professional groups. For example, after the fall of the Soviet Union, many Socialists concentrated their energy on protecting the welfare state against the strains it was then facing (Rust, 2005).

Articles investigating current issues in Russian higher education are published in various periodicals including *Russian Society and Education*, *Higher Education*, *Higher Education in Europe*, and *Comparative Education*. A majority of these articles deal with the present conditions in higher education and how institutions, students and academics have been responding to the challenges and opportunities brought by reforms. Some studies (e.g., Bain, Zakharov & Nosova, 1998; Hare & Lugachov, 1999; Ladyzhets, 1996; Kovaleva, 1997) provided insights into how the changes in higher education have led to the significant transformation of university practices across Russia. Issues of funding, institutional autonomy, structural change, and administration were discussed in articles by Lugachov, Markov, Tipenko and Beliakov, (1997), Hare and Lugachov (1999), Tomusk (2001), Kwiek (2001) and Mitter (2003).

Contemporary Themes in Russian Higher Education

With the break-up of the Soviet Union and the thrust toward a more democratic society, the entire education system obviously had to be restructured to meet the demands of a new era. Just as during the Soviet period, policy makers and educators used education as an agent of social change (Zajda, 1999), the post-Soviet generation of political leaders referred to education as a powerful force that could help in Russia's current transformation.

The economic and political events of the past two decades have had a dramatic effect on every sphere of Russian life including higher education. Education reforms after the dissolution of the Soviet Union in 1992 specifically targeted what was perceived as an ideologically impure Soviet system characterized by ubiquitous centralization, a bankrupt communist ideology, and bureaucratic inefficiency (Zajda, 2003). These reforms also brought new ideological and managerial freedom for universities, as well as new opportunities and demands (Johnstone & Bain, 2002). Throughout the late 1980s, much of the university curriculum was de-politicized, and humanities and more student-centered teaching approaches were emphasized. Universities were encouraged to introduce more democratic governance principles and to strengthen their institutional autonomy. These points were further developed and elaborated in the education laws adopted in the 1990s: *the Law of the Russian Federation on Education* (1992) and *the Law on Higher and Postgraduate Professional Education* (1996). These laws defined the role of education in the transformation of society and the principles of its future development. During the 1990s, the higher education system was significantly expanded, and a non-state sector of higher education emerged in the country. As of 2005, the system of higher education comprised 662 state higher educational institutions (HEIs) with a student body of 5.9 million, and 315 non-state HEIs where over one million students received their education (Leskov, 2005). At the same time, political and economic transformation and years of economic instability put enormous pressure on the education sector, which experienced a sharp decline in state support as it continued to diminish throughout the 1990s (Bain, 2001). For more than a decade, higher education was affected by what Scott (2002) called the erosion of its resource base, which significantly undermined effective institutional autonomy and other vital areas of the system.

Curricula Reform

Curriculum innovations were another characteristic of the educational reforms proposed in the late 1980s and early 1990s. The first important steps to reform the curricula were taken in the late 1980s, when universities rejected the Marxist-Leninist paradigm, which had been an important part of Soviet higher education. Changes in the content of higher education studies have been considered crucial for overcoming the legitimacy of the previous Communist ideology in education. The purpose of curricula reform was to abolish the clearly ideological contents of subjects such as Dialectical Materialism, Scientific Communism, and Political Economy. Another purpose was to offer new courses in the social sciences and humanities and to introduce programs relevant to the changing economy (Tomusk, 2001). New disciplines such as marketing, business administration, and management appeared in many Russian universities. These courses were usually based on Western curricula because most of these disciplines had not been offered in the Soviet institutions. Business-oriented programs as well as jurisprudence, foreign languages, and social sciences attracted more students due to their perceived prestige and promise of better employment opportunities.

The 1996 *Law on Higher and Postgraduate Professional Education* stipulated that the curricular and administrative changes were necessary for integration of Russian higher education into the global education community. This law brought new freedoms for universities giving them more opportunities in course delivery and research topics and methods. Furthermore, educational institutions were allowed to adapt their programs to regional and local needs.

Russian universities had often been criticized for the rigidity in curriculum and pedagogy, high student workload, the stress on the lecture format and the high number of instructor-student hours (OECD, 1999). During the last few years, this situation had somewhat improved as student-centered teaching formats became more common in university classrooms. The 1998 OECD report noted that the Soviet education system was characterized by a rigid and centrally planned common curriculum emphasizing the acquisition of factual knowledge, whereas the present situation in education and society called for changes in the curriculum that would promote the further democratization of education. The OECD review team identified several areas needing to be addressed in order to improve the curriculum and pedagogy. First, universities should offer a broad-based general education in the humanities rather than highly specialized training. General education would provide more choices of courses and careers. Second, the course loads should be reduced to allow students more time for independent study and personal mastery of material. Third, the wider adoption of student-centered instruction could enhance learning and help create more dynamic classrooms with actively learning students.

Decentralization and Institutional Autonomy

A significant increase in institutional autonomy was inevitable in Russia primarily due to the breakdown of ideological central controls over the curriculum and the growing necessity to supplement government allocations for higher education that had been continuously declining throughout the 1990s. In order to survive, many institutions and their faculty had to engage in entrepreneurial activities (e.g., special course offerings and sale or lease of institutional assets).

Both the *Law on Education* (1992) and the *Law on Higher and Postgraduate Professional Education* (1996) stated that Russia had to move away from an overwhelmingly centralized education system inherited from the Soviet times to a more decentralized system. In a major departure from the previous Soviet approach, the Russian plan proposed a decentralized educational administration with authority vested in regional and local bodies. The goal was to decentralize the process of decision-making and regulation, and to introduce UNESCO's international standards for reporting and for the comparative evaluation of activities of higher education institutions. This goal implied that institutions were to become juridical entities with their own financial assets, property, and statutes. Institutions were allowed to determine their own admission plans, the specialties to be taught, and the content of education programs. Institutions also could obtain allocate funds, including allocations for salaries and stipends, from sources other than the state budget (Balzer, 1994).

The central government, however, retained control over licensing, attestation, and accreditation of higher education institutions including the non-state ones in order to ensure standards and the comparability of programs (Johnstone & Bain, 2002). Although the Ministry of Education (present Ministry of Science and Education) continued to design and formulate the principal guidelines for educational institutions, universities were governed according to their own adopted charters. University rectors were elected by institutions' academic councils, and were no longer appointed by the Ministry (Beliakov et al., 1998). Lately, higher education institutions were allowed to participate in financial and economic activities, establish new structural divisions, and take part in international economic projects. Universities also received the right to admit a number of tuition-paying students, a number which has continuously increased over the last several years.

In considering the issues of decentralization and institutional autonomy, Bain (2001) argued that institutional autonomy in Russia, while clearly much greater than in the former Soviet Union or even during the early days of the Russian Federation, remained uneven throughout the country. While decentralization did result in some positive outcomes, it also increased the difficulties of the transition period by worsening one of the most critical problems – funding for higher education (Crow, 2000). The process was further complicated by the ambiguities existing between governmental structures and the legal relationships between the state and the regions (OECD, 1998a). As was mentioned previously, the situation was very complex, primarily due to the shortfall in the federal budget for education and the often contradictory federal laws. Under the later conditions of a long-lasting economic crisis and diminishing federal funding, the higher education sector increasingly depended on regional and other resources for its revenues. The OECD (1998a, p. 37) education review team reported that the following points could have serious implications for education:

1. The federal government was continuing to develop the policy parameters for financing large portions of the education system (e.g., wage and other social protection for employees). The budget policy was not being coordinated with funding capacity.
2. Because the federal government was unable to pay for its mandated obligations, the responsibility was being left to the regions.
3. All levels of education were being pitted against each other and against other social and economic obligations passed down to the regions.
4. Regional inequalities would mean growing regional disparities in education adequacy and quality.

These issues were cited as some of the barriers to the fully implemented institutional autonomy of higher education institutions. While both the 1992 and 1996 laws on education encouraged greater institutional autonomy, some observers pointed out that the legal and financial basis for complete autonomy, as envisioned by the politicians who had drafted the laws, was still lacking (e.g., Bain et al., 1998; OECD, 1999; Tomusk, 2001). Critics of the educational reform considered it utopian in its formulation and difficult to implement because of the significant erosion of resources. Research on the performance of individual higher education institutions indicated that universities were developing their responses to the changing environment with various degrees of success (e.g., Hare & Lugachov, 1999; Holdsworth, 1998; Kirpotin, 1999; Kniazev, 2002). Among the factors shaping universities' responses to the new policies and environmental challenges were the institutions' potential before the changes, effectiveness of leadership, and local and regional support for higher education (Bain et al., 1998). However, lack of direction and tight budgetary constraints often interfered with the complete implementation of the principle of decentralization and institutional autonomy as this implementation was envisioned in the education laws.

Issues of Funding in Higher Education

Chronic underfunding plagued Russian higher education from the beginning of the 1990s' reforms, affecting institutions and the people within their walls. While the federal government guaranteed the financing of higher education, budget allocation steadily declined throughout the decade. For example, the budget expenditure on higher education in 1992 was 2.7 % of the GDP; in 1997, it was 1.99 %; and in 1998, it was 2.0 % (*Vuzovskie Vesti*, 1999). In fact, in the 1990s, spending on education in Russia was among the lowest among the former Soviet republics (MacWilliams, 2001). The federal budget deficit led to insufficient financing of higher education and consequent deterioration of its infrastructure, "catastrophic" conditions, and external (abroad) and internal (from academia) brain drains. Very often, the government funds covered salary and student stipends, whereas institutional maintenance, utilities, library materials, and supplies were sacrificed and continued to deteriorate.

New approaches to higher education financing have been discussed for several years now. Government officials have stressed the importance of developing of new financing mechanisms for HEIs. Budget financing that had been inherited from the Soviet system was no longer considered appropriate for the emerging market economy (Kuzminov, 2005). The recently proposed financing mechanism was based on the notion that institutions should not receive a lump sum of the budget allocations but, rather, should be financed based on the results and quality of the educational services provided. This policy meant that a major part of institutional funding should come through students, and that the slogan was "Money follows the student." This government program called for the formation of a quasi-market in education. Based on their test scores in high schools, students would receive vouchers or GIFOs (*Gosudarstvennoye Immennoye Finansovoye Obyazatel'stvo* – state individual financial commitments), which they could spend on education at their chosen institutions. This way, a portion of the budget financing for students in higher education would not come directly from the budget, but rather from the students' vouchers (*The Development of Human Potential in Russia*, 2004, p. 26).

Vouchers are not a novel public policy instrument in the post-secondary education context. For many decades, the governments of industrialized countries have funded public universities on the basis of enrolment, but in recent years, a gradual shift to a demand-side funding approach has occurred. Many believed that the voucher mechanism was meant to protect and promote access to universities by students from financially disadvantaged families while simultaneously improving program quality (Daniels & Trebilcock, 2005).

However, the Russian proposed voucher model, piloted in three Russia's regions, was closely connected to the introduction of the Unified State Examination (USE). The amount of the GIFO given to a student would depend on his or her USE score. The reformers proposed five GIFO categories, implying that the student would receive a certain sum of money based on the outcome of the examination (Klyachko, 2002; Melnikova, 2002). The higher the test scores, the larger would be the sum of the GIFO voucher.

Although the government did not uniformly institute the GIFO project, it was considered as a viable solution for the financing of higher education. The authors of the reform expected major benefits from the GIFO, which was intended to lift the financial burden from the students' families. The GIFO was anticipated to lead to the reorganization of higher education system, as the demand, not administrative measures, would determine which HEIs would survive (*Chto sluchitsya* ..., 2004, p. 6). However, both politicians and the higher education community have criticized the introduction of vouchers (GIFOs) and the institutionalization of the standardized exam (USE), considering them a sure way to further segregate students based on their financial situation. For example, Buzgalin (2001) argued that the desire to receive the highest amount of the GIFO would be another incentive for well-to-do parents to pay for extra lessons for their children at school and to hire tutors to prepare for the final exam. The children of wealthy parents would receive access to the best higher education institutions. This situation would be another step toward segregating of students according to their socio-economic status, "now raised to the level of the state policy" (p. 3). Another concern expressed about the USE dealt with the students' loss of interest in learning as they would be coached only for the tests (Davydov, 2004).

Despite many criticisms, the government considered the GIFO model for higher education financing a promising one, as it would increase competition among institutions and provide access to quality education (Kuzminov, 2005). The authors of educational reforms thought of the GIFO model as a new weapon to rid the country of poor-quality educational institutions. According to Melnikova (2002) the proposed financing model would be one of the mechanisms for conquering the market of educational services and eliminating weak players (p. 4).

The development of a workable funding model that could be implemented under the current conditions would be essential for the survival of the higher education sector. Kozminski (2002) suggested that the new formula for the financing of university-level education should be based on innovative financial engineering combining different sources of financing: public (state and local), private (household and businesses), commercial (bank loans, capital markets), and international (transfers from supranational bodies and foundations). Although a similar approach to education funding had been proposed more than a decade earlier, not all of these sources had been available under the economic conditions of the transition process.

Academic Staff and Working Conditions

The failure to fully fund higher education in the 1990s negatively affected educational professionals and scientists, who often were not paid on time and were forced to look for additional employment outside academia and even to leave the country. In fact, the government's policy for wages and salaries was cited as one of the most important factors causing the intelligentsia to emigrate (Naumova & Jones, 1998). Financial problems, insufficient and delayed wages, and uncertainties threatened the dedication of higher education staff to their institutions and profession. The university staff is considered a major asset of the Russian higher education system (OECD, 1998a). That higher education institutes continued to turn out high-quality graduates was due largely to the dedication, professionalism, and ingenuity of the professorate (Holdsworth, 1998). However, in order to survive, many professors had to seek employment outside their universities, supplementing their insufficient income by teaching courses in private institutions and tutoring prospective students. The figures presented by the Goskomstat (the Russian State Statistics Committee) for 1991 to 1995 showed that the average wage in industry exceeded that of educators by 30 to 50%. Furthermore, during the early 1990s, the average monthly salary of an associate professor never exceeded US$ 100 (Hare, 1997). Kniazev (2002) pointed to a distressing situation: "the nominal rise [in wages] from 1995 to 1999 is more than wiped out by the inflation of that period. In dollar terms, state salaries for professors declined from US$ 350 in 1997 to US$ 85 to 90 at present" (p. 115). Consequently, those who were able to find better-paying jobs started to leave state-funded universities. The low salaries paid to academics would certainly force many to leave and would prevent high-quality young people from choosing university careers. With such wage policies in place, the university system would inevitably experience a period of steady decline in its quality (Hare & Lugachov, 1999).

Another problem for universities is an aging teaching staff. According to the 1999 OECD report, at some universities, the average age for professors was 60 years, (which is the official age of retirement for males in Russia; the females' retirement age is 55). The teaching cohort aged 35 to 50 were most likely to leave state educational institutions. With the existing salary level, universities had difficulty attracting young graduates to junior academic positions. Even the federal Ministry of Science and Education recognized that the low salaries paid to the professors prevented students from moving into academic positions after graduation (MacWilliams, 2001).

In 2000, President Putin announced the government's return to education and promised an increase in budget allocations for higher education. Some of the measures proposed in a 2002 government report presented at the UNESCO conference in Kazakhstan included the following, to significantly increase professors' and administrators' salaries, to improve infrastructure, and to pay institutions' debts for utilities (*Russia Higher Professional Education Development in Transition (1991-2001)*, 2002, p. 4). While the government had been constantly stressing the need to implement new mechanisms for financing higher education, so that the system could better adapt to the labor market's demands, the problems of inadequate financing and low university wages remained unresolved. In many Russian universities, demoralization prevailed, as most of the faculty were paid starvation wages, merit-based competition for research money and peer reviews were virtually unknown, and accounting procedures were laughable (Bucur & Eklof, 2003). A deputy Chair of the Siberian Branch of the Russian Academy of Sciences, Dr. Molodin, stated that Russian teachers and professors were working in conditions that were so inadequate that monuments ought to be raised to honor these educators. In his opinion, unless educators were fairly paid, no radical changes would ever take place (Shcherbakova, 2002, p. 26).

Tuition Policy

In the former Soviet Union, students admitted to higher education institutions received their education free of charge. The government set a quota of students to be admitted to specific faculties and departments based on the centrally defined economic requirements. Most students were eligible to receive stipends that depended on academic performance and personal circumstances. During the 1990s, however, the situation started to change. In 1994, the government issued a decree authorizing public universities to charge tuition for a small number of so-called "commercial" students. These were usually entrants who had scored relatively low on their admission exams and were admitted to a limited number of non-budget-funded slots provided they could pay for their education. The 1996 amended law on education raised the cap on tuition-paying students in the most popular fields from 10 to 25% of the total admitted number of students in each of the fields. Many state universities, pressured to supplement their budgets from non-budget sources, started to admit more students on a fee-paying basis than the education legislation officially allowed. Although the share of paying students was expected to be relatively low (25 %), Klyachko (2002) stated that already in 2000, 44% of all freshmen in public institutions were paying tuition fees. According to the Russian newspaper *Vremya-MN*, in August 2002, state educational institutions admitted 604,000 students to receive higher education on a constitutionally guaranteed free basis. An equal number of students were expected to pay for their university degrees. Throughout the late 1990s, the tuition-paying student cohort continued to increase across the country. Finally, in 2001 "a symbolic Rubicon was crossed," when an estimated 51% of all students attending higher educational institutions were paying fees for their education (Feonova & Spiridonova, 2004). Johnstone and Bain (2002) commented that in Russia, which had a historical, ideological, and constitutional legacy of free higher education, "financial pressures on the universities and the need to supplement the grossly insufficient governmental allocations … forced universities to maximize the *conditional exceptions* to free higher education as specified by Article 43 of the 1993 Constitution of the Russian Federation" (p. 5). In legal terms, Russia stuck to the principle of tuition free education, which was rooted in its "Socialist heritage," only at the primary and secondary levels. Its higher education system was subjected to a policy that has increasingly tended to authorize higher educational institutions to charge students for tuition fees (Mitter, 2003). With more than 50 % of the students paying tuition fees in public institutions (Leskov, 2005), tuition has clearly become not only an integral part of institutional survival in Russian universities, but also an official educational policy.

The issue of paid higher education was considered very sensitive, and opinions on it differed dramatically. While being viewed as introduced out of financial necessity, perhaps suggesting their temporary nature, tuition fees definitely moved into the forefront of policy discussion (Bain, 2001). Although the state guarantee of free higher education on a competitive basis was reflected in the Russian Constitution and laws on education, the time of a tuition-free education was rapidly becoming passé. In fact, the discrepancy in the language between the 1992 *Law on Education*, which stipulated how the costs for higher education should be apportioned or waived, and the 1993 Constitution, which uses the old language of entitlement to "free" higher education, was cited as a considerable obstacle to developing a consistent tuition policy (Bain, 2001). Similarly, the OECD (1999) noted that the current Constitution severely restricts a more consistent approach to tuition policies: "Before any major financial reform is possible, the legal basis for financing reform must be established" (p. 158). The newly appointed Minister of Science and Education, Andrei Fursenko, stated that although higher education was still considered "free," its free portion was constantly being reduced. In the future, he continued, the government would have to implement some kind of indirect payment for higher education (*Moskovsky Komsomolets*, 2004). Indeed, the long-standing tradition of tuition-free higher education for students in Russia began to crack under severe state austerity and the development of market relationships in the area of educational provisions (Bain, 2001).

The former Education Minister, Filippov, expressed his concerns with the system of tuition-charging that had emerged without being regulated in any way. Educational institutions usually set tuition fees based on the elite's material circumstances, and these fees could change rapidly during the academic year, causing many problems for students and their families (Kovaleva, 1997). In some prestigious institutions (usually reputable state universities), tuition fees exceeded the annual average income by almost 200% (Bucur & Eklof, 2003). The problem was further complicated because many newly opened higher educational institutions were charging tuition fees for degrees while taking no responsibility for the quality of the provided education. Currently, Russia is far ahead of Western Europe in terms of the proportion of tuition-paying students, but as Davydov (2004) commented, "this is hardly something that we can be proud of" (p. 8). The main argument raised against tuition fees in higher education was based on the facts that the existing tuition policy discriminated against students from economically disadvantaged groups, and that charging tuition tended to discourage those students from higher education altogether (Weiler, 2001). Although the concept of student loans had been introduced in the 1992 *Law on Education*, no practical loan scheme was yet proposed (much less funded) in the country (Bucur & Eklof, 2003). The issue of tuition policy and the proper mechanisms of tuition regulation will probably remain on the policy agenda of the Russian authorities for the near future. This significant socio-political problem is likely to generate more proposals and discussions before it can be effectively resolved.

Access and Equity

During much of the Soviet period, the government promoted a policy of full access to higher education for all social strata. The higher education system was expected to contribute to social homogeneity and the proportion of individuals with a higher education was continually growing. "The Soviets are undoubtedly right when they say of their educational system that it is supporting a tendency towards a greater social equality" (Glowka, 1986, p 133). The political strength of Soviet education between the 1920s and the 1990s was its ongoing commitment to equity and access, regardless of social class, gender, ethnic background, or geographic location (Zajda, 2003). The success in raising the higher education attainment of the population and the development of a wide range of outstanding universities were acknowledged as the most impressive legacies of Soviet higher education (OECD, 1999). Despite these remarkable achievements, previous government policies in higher education and the existing admission policies were openly criticized in the Russian press and in the publications of the international agencies including the OECD and the World Bank. Most of the criticism concerned the low levels of participation in higher education compared to those in the leading Western countries, the equality of educational opportunity, and higher education selection procedures.

Educational reforms initiated after perestroika created opportunities for the emergence of new forms of higher education institutions. Dozens of non-state higher education institutions were opened across the Russian Federation. In 1998, the Ministry of Education licensed over 300 non-state institutions (Goskomstat, 1999, p. 194). These institutions were expected to provide better access to higher education for those who were able to pay for their education. In a 2001 speech, the former Minister of Education, Filippov, noted that the achievements in the breadth of access and disciplines in higher education would have been impossible without the non-state sector of professional education that provided educational opportunities for over 270,000 students (Filippov, 2001).

At the same time, in the early 1990s, the situation started to change in many ways. Despite the expansion of the higher education system and growing number of students enrolled in higher education institutions, some researchers pointed to an increasing trend of declining access to higher education among certain groups of the population (Smolentseva, 1999; Boiko, 2004). The major causes cited for this decline included the high cost of living and a significant gap between the requirements for secondary and higher education, which meant that, without special preparation courses, a number of high school graduates could not gain admission to higher education institutions. Prospective students from rural areas were particularly disadvantaged, as these students often could not compete with those from urban centers for university admissions. Socioeconomic restructuring in Russia brought about an increasing territorial inequality of "starting" conditions among young people *(The Development of Human Potential in Russia*, 2004). Such regionalization of education and opportunities contributed to the limited social mobility of citizens and created further stratification in the society (Smolentseva, 1999). Boiko (2004) concluded that social differentiating became predominant in higher education in the 1990s: "the social makeup of the college students is asymmetrical to the social structure of society and has a very narrow social base of replenishment" (p. 58). Although non-state educational institutions expanded access to higher education in the country, prospective students from low-income families were still disadvantaged as they simply could not afford to pay tuition fees.

The process of transition from secondary to higher education received much attention and criticism during the past decades. The criticism centered mainly on the inefficiency of the transition process from secondary to higher education (OECD, 1999; World Bank 1999). Traditionally, secondary school graduates had to pass examinations at the end of their studies in order to receive a certificate that would later allow them to apply to the higher educational institutions. In order to be admitted into the HEI, the prospective students had to successfully pass specific entrance exams that were established by a given institution and department. These exams (usually 3-4) generally included language and literature, one foreign language, and other subjects according to the specialty selected by the applicant (e.g., mathematics, chemistry, physics, or history) (Rosen, 1971). As the government determined the number of placements, the function of the admission procedure was clearly defined: those best suited for the admission should be offered places (Glowka, 1986). However, some researchers (e.g., Avis, 1990; Glowka, 1986) concluded that during the Soviet regime, the rules of admission had become a way of limiting access to higher education and that some widening of access was needed in the years to come.

The highly competitive entrance exams also led to widespread tutoring, which virtually became a requirement for those wanting to enter higher education institutions. Closely linked to this tutoring and other forms of coaching was the spread of bribery and corruption during the past two decades, which had become a form of paying for education that was officially "free of charge" (Bestuzhev-Lada, 2001). To address these issues and replace the two-tier system at the secondary-higher education interface with a transparent form of assessment, the Ministry of Education started an experiment in several regions of Russia in 2000. This initiative was considered the most radical approach to overthrowing the traditional two-tier examination system (Mitter, 2003). The standardized national testing procedure known as the Unified State Examination (USE) was believed to be similar to the American Scholastic Aptitude Test (SAT) and was administered at the level of secondary education (*Hurrah!...*, 2001). Universities were expected to admit students based on the score received on the USE. The experiment was first instituted in several regions as a pilot project, which was later expanded. Addressing the importance of a different approach to university admission, the OECD (1999) stated that the new model should respect the special function of general secondary education and should be based on national standards rather than requirements set by individual universities. This model would reduce the inefficiency and wastefulness of higher education entrance procedures and help create equal opportunities for every student to enter higher education.

In 2005, 78 out of 89 regions of the Russian Federation participated in the experiment, so that over 80 % of all Russian high school graduates took the USE (Bolotov, 2005). This government initiative was surrounded by heated debates since the day of its announcement. Opinions differed dramatically. Some expressed their support and hope that the exam would become a panacea for the many insufficiencies at the secondary-higher education interface and would help to improve the quality of education in schools and to eradicate bribery, nepotism, and other shortcomings (Melnikova, 2002; Davydov, 2004). Others openly condemned the exam, calling it absolutely unacceptable for the leading institutions of higher learning because of the current disparities in student preparation at the secondary school level (Shcherbakova, 2002). Supporters of the exam argued that the institutionalization of the state examinations would introduce common educational standards across the country. Summing up the results of the second year of the experiment, the former Minister of Education, Filippov, stated that for the first time, Russian education had received "an objective and transparent mechanism to evaluate students' knowledge" (Zverev, 2002, p. 3).

Even those who generally supported the introduction of standard evaluation procedures in education criticized the creators of the USE for putting even greater pressure on students, whose future would be defined by their performance on the exam (Sharygin, 2003, p. 1). Perhaps the most critical issue regarding the introduction of the national graduation exam was the opinion that the exam reinforced families' different economic circumstances. For example, Buzgalin (2001) argued that high school students would approach this exam with differing knowledge bases depending on how well-off their parents were (whether they could hire tutors, pay for extra lessons and get their child a place in an elite school):

> The test provides a clear record of this difference in material circumstances. Even lazy and ungifted offsprings of rich parents who attend the best schools and are drilled by teams of tutors will clearly have a better chance at doing well in their final exams than the children from poor families who attend inferior schools and cannot pay for extra lessons. (p. 4)

During the years of transition, many different types of secondary schools were opened across Russia. These included private schools that were usually very expensive and were established for the children of the well-off parents and the "new Russians." According to Zajda

(2003) because of social and school-based inequalities, students were not only at risk based on class and social stratification, but were placed further at risk by the schools they attended and the teachers who taught them. Currently, dramatic inequalities in education funding exist among Russia's regions: wealthy regions spend four to six times as much on education compared to the poor regions.

The OECD review team (1998a) also expressed its concern about the emergence of a small number of private schools, and the new selective-type schools such as *gymnasia* and *lycea* within the state system, which were attracting the best teachers and the most motivated students, thereby weakening the state's school system. Entry into the university from these elite schools was more certain than from regular secondary schools. Although these new schools were publicly funded, family wealth affected access (World Bank, 2000). Moreover, 25% of these specialized schools were concentrated in a few larger cities compared to only 2% in rural areas. In Russia, an increased choice in schools paradoxically led to diminished educational opportunities for many children, especially those who were rural, less affluent, or less well-connected – regardless of their individual merit. In contrast, the World Bank (2000) stated, "The principle of true educational equity and access is that educational opportunities should be open to pupils based on educationally relevant criteria of giftedness, aptitude, and hard work rather than on the basis of educationally irrelevant criteria such as geography, money, or connections" (p. 79). Despite the proclaimed equality of educational opportunity for Russian citizens, increasing numbers of young people were not able to exercise this right. The commercialization of education and the weakening position of the state in the sphere of education were two reasons for such a situation (Feonova & Spiridonova, 2004). Moreover, some analysts argued that the previous commitment to equity and access might have disappeared. The economic collapse, growing secondary school elitism, and fiscal climate had serious equity implications for Russian society (Smolin, 2003; Zajda, 2003).

To successfully address the issue of access to higher education, which clearly had become problematic for certain groups of students, equality of educational opportunity had to be an underpinning principle of educational policy. Heyneman (1997) argued that however difficult providing equality of educational opportunity and access to higher education might have been previously, doing so would be more difficult in the future, especially given the structural and economic challenges in Russia. At the same time, the future of the country as a democratic society and modern economy would depend on achieving levels of participation in tertiary education comparable to those of other industrialized democracies (OECD, 1999).

Internationalization of Russian Higher Education

During the Cold War, when major industrialized countries were polarized into two competing blocs (Socialist and Capitalist), the development and promotion of mutually accepted international competencies of students did not seem important. However, the geopolitical changes resulting from the breakup of the former long-standing world order created possibilities for cooperation between the former antagonistic blocs. As students and professionals became more mobile through scientific and educational exchanges and worldwide employment opportunities, internationally agreed-upon standards and qualifications became essential (OECD, 1999). Particularly, since the beginning of the twenty-first century the clarion call for the internationalization of higher education has become loud and clear (Bartell, 2003).

While "internationalization" is often used interchangeably with "globalization," the two should be distinguished, especially in the contexts of higher education policies. For example, Bartell (2003) proposed that globalization is an advanced phase of the evolving process of internationalization. The latter can be conceptualized as "a synergistic, transformative process, involving the curriculum and the research programs, that influences the role and activities of all stake-holders including faculty, students, administrators, and the community-at-large" (p. 52).

In Europe, the internationalization of higher education was fostered by the European Union through the establishment of programs such as the Trans-European Mobility Program for

University Studies (TEMPUS) in order to increase the academic mobility of students and faculty between Central and Eastern European countries. In the early 1990s, Russian society began to open to the West, and the academic exchange programs were increased (Crow, 2000). The Russian government signed a number of bilateral agreements with its European counterparts and engaged in various educational projects organized by the UNESCO, the European Union, the Council of Europe (TEMPUS) and other organizations. As a result of the internationalization policies, higher education and research institutions expanded their international partnerships at the national, local, and individual institutional levels. University professors, administrators and students were participating in exchange and research activities and were establishing contacts with their colleagues from various parts of the world. Some individual institutions took steps in the direction of the international recognition of qualifications. For example, in 2000, Tomsk Polytechnic University became the first institution in Russia to successfully undergo the certification procedures for educational programs in English through the International Accreditation Center of the Global Alliance for Transnational Education (GATE) of the United States (Pokholkov, Chuchalin, & Mogilnitsky, 2002).

In the 1996 *Law on Higher and Postgraduate Professional Education* (Article 2), the Russian government stipulated the need to integrate Russian higher education into the international educational system. Specifically, the importance of establishing a necessary legal basis for international recognition of Russian higher education qualifications, which had to be matched with degrees awarded by Western universities, was stressed in this document. The internationalization of the curriculum, and changes in economics and the social sciences, which had been previously influenced by the dominant Marxist-Leninist ideology, had to take place so that the Russian programs of study would become compatible with those offered by Western universities.

The process of internationalization also meant that existing Russian educational qualifications had to be aligned with the degrees granted by major European universities.

Historically, only three qualifications/degrees existed in the Soviet higher education. The first, a specialist qualification that a graduate received upon graduation from an institution of higher learning, was that of a *Diplomirovannyi Spetsialist* (Diploma Specialist) in a completed program of study. The standard time for completion varied depending on the field of study, but usually lasted from 5 to 6 years. The second level was the actual graduate degree of a *Kandidat Nauk* (Candidate of Sciences) in a corresponding area of research. The third level, that of the degree of a *Doctor Nauk* (Doctor of Sciences), was rather rare and was based on an outstanding record of research and a second doctoral dissertation. The 1996 law established new levels and degrees for higher education. As stipulated in Article 5 of the law, the new levels included a four-year *Bakalavr* (Bachelor) degree, a five-to-six-year specialist degree, and a six-year *Magistr* (Master) degree. However, many state and non-state educational institutions continued to offer the specialist qualification. The new degree programs were rejected by some of the labor ministries, which refused to recognize them, and by some leading universities, which refused to award these degrees. This practice of not recognizing the Bachelor degree as a complete higher education degree prevented its actual implementation throughout educational institutions in Russia. As a result, the goal of achieving compatibility with Western qualification was not reached during the 1990s (Tomusk, 1998). The OECD review team (1999) stated that if universally implemented, four-year Bachelor programs could offer many advantages to Russian society. However, more work was needed to ensure that these programs were perceived as professional, as well as academic qualifications.

Based on the notion of "international educational space," the Russian Ministry of Education made further steps on the road to internationalization by signing the Bologna Declaration in 2003 and joining this process. In 1999, the Ministers of Education of 29 European countries first signed the Bologna Declaration, which was a key statement on higher education policy and reform in Europe and signified the beginning of the Bologna process. This process was driven by the participating countries and by the European Commission, the Association of

European Universities, the Confederation of Rectors Conferences of the European Union, and other interested European organizations (Council of Europe, 2001). Western European countries were concerned with the recognition of documented competence as well as knowledge and skills without repetition of assessment, examination and testing of these competencies. The Bologna process involved the major European countries interested in the process of higher education harmonization. The Bologna Declaration's main objective was to create a European space for higher education in order to enhance the employability and mobility of citizens and to increase the international competitiveness of European higher education. The following five parts of the Bologna Declaration were particularly relevant to the recognition of qualifications:

1. The adoption of a common framework of readable and comparable degrees, through the implementation of the Diploma Supplement.
2. The reform of higher education systems. Specific reference is made to the adoption of a system essentially based on two main cycles prior to doctoral studies (i.e. undergraduate (Bachelor) and graduate (Master) levels in all countries, with the first degree being no shorter than 3 years.
3. A clear emphasis on the role of higher education in preparing students for the labour market: "The degree awarded after the first cycle shall be relevant to the European labor market as an appropriate levels of qualification" (Council of Europe, 2001, p. 4).
4. The establishment of a credit system, where specific reference is made to the European Credit Transfer System (ECTS).
5. Promotion of European co-operation in quality assurance, with comparable criteria and methods (Council of Europe, 2001).

Within this framework, participating countries were encouraged to align their education reforms and policies to meet the goals set by the international higher education community. Since signing the Bologna Declaration in 2003, Russian education authorities have developed a detailed action plan to implement the Declaration's requirements by the year 2010. The proposed measures cover a variety of areas ranging from the legal-normative basis for the implementation of the Bologna objectives to the introduction of the ECTS (European Credit Transfer System) and Diploma Supplement. International experts were invited to participate in the development and implementation process (Ministry of Education and Science, 2005).

Thus, the internationalization of Russian education is a trend that has been developing with new impetus since the 1990s. It has encompassed many issues that go beyond the mere introduction of internationally accepted degrees. It has had implications for organization, management, and assessment in both general and higher education and should be viewed as an on-going process. The process of internationalization was generally considered a positive process in Russian higher education. The OECD (1999) review team commented that the openness of Russian higher education to international linkages was beneficial to all parties. However, while internationalization enriched higher education and the research experiences of the academics and students, it had the potential to increase the migration of skilled and educated people to other countries, especially given the current conditions in the Russian higher education sector. This problem must be addressed since one of the specific objectives of the Bologna Declaration dealt with eliminating the remaining obstacles to the free mobility of students (as well as trainees and graduates) and teachers (as well as researchers and higher education administrators) (European Union, 2000, p. 4).

Summary of the Last Two Decades in Russian Higher Education

Recently, a number of systemic changes have occurred in Russian higher education. Major transformations have taken place in the core principles of institutional governance, patterns of financial flows, as well as relationships with the government and the public. Some of these trends may prove to be transition-specific and, therefore, temporary, whereas others will define the future of higher education in Russia.

The most notable changes were brought by the curriculum reform and decentralization of institutional management, the introduction of institutional autonomy, the diversification and expansion of higher education due to the emergence of non-state educational institutions, and the introduction of tuition fees in public institutions. The transformation of higher education is an on-going process, and some of the above trends will be fully developed and implemented in the years to come. These include the implementation of the Unified State Examination (USE), which is planned to become universal in 2008, and the introduction of GIFOs (vouchers) in the near future. The process of the internationalization of higher education within the framework of the Bologna Convention is expected to proceed according to the government's plan, until all the elements are fully implemented by the year 2010.

International Organizations

Although cooperation with various international organizations in the field of education had a long history in Russia, the majority of the organizations described in this section started their cooperation with the Russian government and higher education sector immediately after perestroika. Some organizations and agencies were created or restructured to address specific needs of the former Soviet Union countries and to provide necessary support and resources for educational reforms (e.g., the Soros Foundation, the United States Information Agency).

In the early 1990s, Russia started to receive groups of foreign advisors and expert teams from various international organizations, foundations, and Western higher education institutions. Many agencies established their offices in the Russian capital and later in other major cities across the country. According to the 2000 *Report on Donor Cooperation in the Field of Education*, two distinct groups of international projects were carried out: systemic projects, which were large-scale projects supported by the World Bank, the Council of Europe, and the Open Society Institute, and targeted projects involving individual educational institutions. These projects were implemented by some 80 Western organizations (e.g., the IREX and the British Council). The Russian Ministry of Education coordinated large-scale and long-term projects. In 2000, the Ministry held a conference where over 25 international partners and donor organizations discussed how to enhance the efficiency of international projects in higher education in the Russian Federation. The list of partners included the Open Society Institute (Soros Foundation), Council of Europe, Bureau CROSS, the British Council, the European Training Foundation (ETF), DAAD, and the World Bank.

Recognizing the importance of modernizing education, the Russian government was seeking the support of international partners, viewing international cooperation in education as an important component of the current education policy development and reform implementation. In order to access the experience and expertise of the international educational community, the government created the International Strategic Expert Group (ISEG), which consisted of both international and Russian specialists, who would participate in education reforms. The group was involved in medium- and long-term projects and coordinated the activities of international organizations. The Council of Europe and the World Bank were named as this group's major partners.

From the beginning of the collaboration in Russian higher education, the support of foreign foundations and governments was essential in helping educators and scientists to continue their work and, in some instances, to survive during the transition period, which was complicated by the years of economic instability and the erosion of resources (Dezhina & Graham, 2002). Foreign foundations and organizations, such as the Soros Foundation, the Spencer Foundation, and the IREX, provided training and research opportunities for Russian professors and students. Vartan Gregorian, President of the Carnegie Corporation of New York, stated that "A strong system of higher education coupled with healthy respect for scholarly and scientific research is central to the task of rejuvenating Russia and other post-Soviet states from within" (*Carnegie Corporation of New York News*, 2002, p. 2). He further suggested that an investment in Russia's intellectual and academic resources would contribute to its capacity to rebuild its society and reduce the region's isolation.

During the transition years and the economic crisis, the assistance of every foundation and organization became important for the functioning of many higher education institutions in

Russia. The impact of these international bodies varied according to their goals, missions, and the degree of involvement. Among the many participating organizations, two distinct groups can be identified: (a) international foundations and governmental organizations and (b) supranational organizations.

The first group of international organizations providing support to Russian higher education included the Open Society Institute (OSI), the Carnegie Foundation of New York, the MacArthur Foundation, the Eurasia Foundation, the German Academic Exchange Service (DAAD), and the International Research and Exchange Board (IREX). These organizations coordinated various programs involving students, faculty, and administrators of higher educational institutions. For example, the Soros Foundation Network established the International Higher Education Program, which helped higher education reform in Eastern Europe and Eurasia, impeded by the lack of funding and ineffective policies, to built academic networks locally, regionally, and globally. Young Russian academics participated in exchange programs such as Junior Faculty Development Program (JFDP) funded by the United States Information Agency (USIA). The purpose of this program was to effect and support democratic change in Russian universities (Crow, 2000).

In the 1990s, the European Union launched the Trans-European Mobility Program for University Studies (TEMPUS) program, which has been providing higher education institutions from Eastern and Central Europe with the opportunity to cooperate with their Western European partners and to promote the exchange and training of academic staff and students. Some of the projects were aimed at the restructuring of university administration; others helped the development of new academic courses and departments (Wuttig, 1998). From the very beginning of its activities, TEMPUS was considered an effective instrument for external assistance to higher education reforms in Central and Eastern Europe, promoting a “bottom-up” approach more or less independent of “top-down” government control (Wilson, 1993).

The second group is referred to as "supranational organizations" or "Intergovernmental Organizations" (IGOs) due to their ability to cross borders and focus on global issues without being controlled by a nation or government (Keinle & Loyd, 2005). These actors usually operate globally and work primarily with governments rather than individuals and institutions. Many of these organizations are also involved in other aspects of the global economy and development. For instance, the World Bank, the OECD, the IMF, the World Trade Organization (WTO) and the European Union have been working with the Russian government on a number of economic and social programs. Joining the World Bank in 1992, the Russian government embarked on a substantial portfolio project. The country also developed links with the IMF and the OECD, which were known for their financial loans and development of educational reforms in various parts of the world (e.g., Latin America and Africa). Educational researchers (e.g., Ginsburg, Espinoza, Popa & Terano, 2005; Torres, 2003) described them as strong, neo-liberal-oriented sources of influence on educational policies in Latin American and post-Soviet European countries.

Between 1992 and 2000, the World Bank and the Russian government launched three education projects (management and financial training, educational innovations, and education restructuring support) worth US$ 171.4 million (Bray & Borevskaya, 2001). Further, the World Bank's involvement went beyond money-lending activities. Together with the OECD, the Bank sponsored and published analytical papers and reports and provided recommendations on policy design and implementation. According to Tomusk (1998), many foreign agencies had been involved in attempts to save some parts of higher education in those difficult times or in facilitating some kind of reform. Major actors, such as the World Bank, could afford to pay for a system level reform because they had the means to convince the governments "to implement certain system wide reforms – to reduce the number of staff, merge institutions, etc., including the level to which higher education is to be subjected to the markets" (p. 227).

Naturally, links with these transnational organizations resulted in external influences on policies for Russian education as well as other sectors. Despite the obvious differences among the World Bank, the IMF, and the OECD, they are included in this group because of their role as coordinating agencies in Russia's social and educational reforms. According to Jones (1998), a large array of international nongovernmental organizations (INGOs), although by definition outside formal intergovernmental structures, was nevertheless beginning to exercise considerable economic, political and cultural influence. Some of these organizations gained their influence because they not only provided statistical data, indicators and trends in globalization, but, increasingly, policy recommendations and other advice to government authorities (Keinle & Loyd, 2005).

Although the roles and degrees of influence of these organizations varied, the direction of the policy recommendations seemed to be similar. According to Kwiek (2001), one major feature in the World Bank and the OECD policy reports and recommendations was the emphasis on the privatization of public higher education, which was understood as a gradual process whereby higher education would leave the public sector of purely state-supported services and move in the direction of self-sustainability. These policies were based on the premise that a country had sufficient private wealth to enable higher education institutions to generate their own revenue (Marginson & Rhoades, 2002). Clearly, this situation did not exist in Russia where the Gross Domestic Product (GDP) per person in 2005 was estimated at US$ 4,330 (c.f. US $ 41,530 in the United States) (*The World in 2005*, 2005, p. 89). Another common feature in the World Bank and the OECD documents was the reduction of the scope of state responsibilities in public higher education. In particular, the World Bank (1994) stated that the extent of government involvement in higher education had far exceeded what was economically efficient in the changing global world. With the emergence of the global economy, the state should minimize its role, privatize social services as much as possible, and facilitate rather than control the economy and higher education sector (Kwiek, 2001).

As cooperation with international agencies and their financial assistance, loans, and expertise are still essential to education reforms in Russia, these agencies will continue to play a significant role in policy formulation and implementation. Their influence can already be observed at both institutional and national levels. For example, Crow (2000), who conducted a study on the impact of the Junior Faculty Development Program funded by the United States Information Agency (USIA), pointed out that the Russian participants became leaders in furthering curricular development and educational reform in their home institutions.

Some agencies were actively involved in developing the national educational policy framework. For example, the Open Society Institute participated in the devising Russian education *Doctrine* of 2000 (Donor Cooperation, 2000). In recent years, the government has been seeking advice from the OECD, which provided its expertise in labor market policy, social policy, education, and science and technology. Expert teams from the World Bank and the OECD carried out several studies providing a detailed analysis of the strengths and weaknesses of the Russian education system and offered an extensive list of recommendations to improve Russia's general and higher education.

Synthesis

The events of the past decade have had a significant impact on the profile of Russian higher education. Despite the claims of "a decade of failed attempts" in higher education (Kwiek, 2001, p. 408) and "ten lost years" (Tomusk, 2000, p. 278), the changes, both quantitative and qualitative, have been remarkable. The field of higher education has experienced a significant transformation with the emergence of non-state institutions, changes in university curricula and the degree system, and the movement towards autonomy and decentralization. The participation of international agencies in evaluating and developing policies in higher education was another sign of unprecedented changes.

However, the situation in higher education was complicated by many problems resulting from Russia's economic difficulties and transition to a market economy. The lack of appropriate funding, issues surrounding constitutionally guaranteed free higher education and the introduction of tuition fees, the commitment to quality assurance, and the emergence of new degree programs put enormous pressures on the university sector. At the same time, not all of the changes were unique to Russia. Being a part of the international higher education system, Russian higher education was experiencing similar demands brought by rapid technological changes and the integration of the global economies (Carnoy, 1999; World Bank, 2000; Kwiek, 2001). In fact, the global transformation of higher education seemed inevitable, as the forces behind the change were similar both in the OECD and Central and Eastern European countries. Market logic emphasizing the importance of cost-efficiency, the commercialization of services, and the measurement of performance was on the educational policy agenda in these countries. Influential international agencies such as the OECD and the World Bank consistently promoted a marketised policy framework emphasizing the economic function of higher education (Henry et al., 2001). An interesting new element that appeared in the discourse of higher education was the construct of the "market," which was rapidly spreading to Eastern Europe "with the tender care of the World Bank and the Soros Foundation" (Weiler, 2000, p. 333).

The support provided by Western foundations and governments is still essential to the educational reform in Russia. By assisting the Russian authorities and higher educational institutions, these agencies have the potential to influence the direction of the reform and its outcomes. The influence these agencies exert could be observed on institutional and national levels. Projects administered by organizations such as the OSI, European Union (TEMPUS), and IREX were more inter-institutional than inter-governmental and therefore will potentially have more impact on academic community and institutions (Cerych, 2002). On the other hand, projects funded by the World Bank will likely influence educational policies on the national level. For example, the World Bank provided a US $50 million loan to support the Russian government's efforts "to improve efficiency and increase access to good quality general and vocational education throughout the Russian Federation" (World Bank, 2001, p. 1). From 1992 –

2001, the World Bank lent the Russian government approximately US $11 billion for 48 operations (World Bank, 2002). By rendering financial and policy assistance, the World Bank and the OECD encouraged the Russian government to implement their earlier recommendations. The results of such cooperation could be observed in the latest government projects in higher education, which became a topic of heated discussions among educators, politicians and the public. Russian policy makers and government were often criticized for trying to convert the "wonderful" Russian education system into an American one. Some critics of reforms saw the introduction of the standardized state exams (USE) and tuition fees for higher education as a betrayal of Russian educational traditions: "State bureaucrats, evidently, have taken into their heads to destroy the educational complex in favor of Western standards…" (Shcherbakova, 2002, p. 7). Others strongly believed that reforms would make higher education practices more transparent and its quality equal to that in Western countries.

A discussion of the changes in Russian higher education should acknowledge that higher education has been in the process of transformation worldwide. Education reforms were at the top of policy agendas in the United Kingdom, France, Germany, and the United States (OECD, 1999). Kwiek (2001) argued that current discussion about reforms in higher education in Eastern and Central Europe should be grounded in a wider context of global economic and social changes. The policies implemented in Russian higher education were shaped by forces similar to those in many other countries. In the new social and political environment introduced by globalization theories and practices, supranational organizations (the OECD, the World Bank, the IMF, and the WTO) became actively involved in stimulating new accounts of higher education on a global scale. Privatization, cost-efficiency, quality assurance, effectiveness, modern technology, and market demands are major issues expressed in the education policies promoted by these actors. The transformations in the higher education sector can hardly be understood without the awareness of this global dimension and the role of international organizations. According to Schugurensky (1997), the nineties witnessed the continuation of important social, cultural, economic and political developments that affected higher education. The decline of the welfare state and the globalization of economy became prominent in the Eastern European region.

As pointed out by Johnstone, Arora and Experton (1998), the 1990s saw a consistent worldwide reform agenda, which affected higher education financing and managing. Countries with dissimilar political-economic systems and higher educational traditions had remarkably similar approaches to their educational reform. Since the fall of the Berlin wall in 1989, a shift toward the neo-liberalism, "a wave of privatization and an increasing presence of market dynamics in social exchanges" has occurred in Eastern Europe (p. 1). Arguably, the recent education reforms in Russia were also the result of this ideological shift. Kniazev (2002) stated that the Russian government, like many other national governments, had withdrawn from the full funding of higher education, forcing universities to look for additional external sources of funding. As some researchers noted (e.g., Kwiek, 2001; Tomusk, 2001), the movement toward a market economy and globalization altered both the relationship between the state and higher education institutions and the functioning of higher education. Additionally, the changes in the dominant state ideology resulted in the formulation of fundamentally different educational policies emphasizing the importance of Russia's competitiveness in the global market.

Much of the existing literature on higher education reform in Russia is essentially descriptive, due to the rapidly changing scene in higher education and society. A large number of the studies have analyzed the changes in Russian higher education on national, local, and institutional levels. Some studies have addressed education reform by linking it to the changes on a global level. The discussion of the contemporary trends in Russian higher education has focused on the impact of globalization on education in Central and Eastern European countries and the introduction of market mechanisms through the IMF, the WB and the OECD recommendations (Kwiek, 2001; Tomusk, 1998, 2000, 2001; Zajda, 1999; 2003). Several researchers have examined education changes and the role of international organizations in promoting education reforms in the region (e.g., Bray & Borevskaya, 2001; Marginson & Rhodes, 2002).

Although the literature included both empirical and theoretical studies and provided valuable information about the situation in higher education in Russia and around the world, limited theorizing has been published on how various forces and actors influence higher education policies in the Russian Federation. Given this gap, in this study I will examine the changes in higher education policies in Russia, the role of international organizations in shaping the policy discourse in Russia, and their impact on policy direction.

CHAPTER 3

ANALYTICAL FRAMEWORK:

GLOBALIZATION, THE WELFARE AND NEO-LIBERAL STATE

> *Globalization together with new information technology and the innovative processes they foment are driving a revolution in the organization of work, the production of goods and services, relations among nations, and even local cultures. No community is immune from the effects of this revolution. It is changing the very fundamentals of human relations and socials life.* (Carnoy, 1999, p. 14)

Globalization

Globalization has been on the minds of policymakers, academics, and policy analysts for a number of decades now, but the concept of "globalization" itself and its exact meaning remain a highly contested issue. Being often described as a social process in which the constraints of geography on social and cultural arrangements recede and in which people are becoming increasingly aware of this process (Waters, 1995, cited in Scott & Marshall, 2005), globalization is not new. Similar processes also occurred during the earlier part of the twentieth century (Campbell, 2004; Cousins, 2005). According to globalization theory, the current global culture was brought about by a variety of earlier social and cultural developments including the global-satellite information systems and the emergence of global political systems such as the United Nations (Scott & Marshall, 2005). Globalization is a multifaceted process that affects each country differently due to its individual history, traditions, culture and priorities.

The contemporary literature on this issue provides many definitions of "globalization," which is commonly viewed as the process of economic and cultural integration characterized by the spread of the market economy and the removal of barriers to the flow of goods, services, money and information (*A World in Common*, 1999), or "the expanding free flow of goods and money across existing economic borders to promote growth" (Spencer, 1996, p. 333). However, this interpretation is just one of many provided by both economists and social scientists. The literature reveals several approaches to the concept of globalization. One can be characterized as politically neutral, where globalization is viewed as "the shrinkage of distance and time-delay in communications and travel, leading to increasingly extensive and intense global relations" (Marginson & Rhodes, 2002, p. 288), or as the compression of time and space (Robertson, 1992). In this sense, globalization presents a high degree of global interconnectedness as a consequence of changes in science and technology. When defined neutrally, globalization is viewed as a key environmental factor with multiple effects – both positive and negative – on various spheres of life, including education (Knight, 2005). Essential features of this process, which Olssen et al. (2004, p. 256) refer to as "Globalization I" include

1. The increased spread and volume of trans-border transactions, especially those related to capital and communication systems.
2. New developments in technology (e.g., the Internet), which have increased the mobility of cross-border flows.
3. The increasing possibility of transport (e.g., cheaper airfares).

From another perspective, globalization is viewed as a discursive system, pursued at a policy level by powerful states and international capital, and also as an economic discourse promulgating a market ideology (Vidovich & Slee, 2001; Olssen et al., 2004). The main features of this process, or "Globalization II" (Olssen et al., 2004) include

1. The spread of neo-liberal orthodoxy.
2. The deregulation and liberalization of government policy and establishment of highly integrated private transnational systems of alliances.
3. Privatization and marketization: the establishment of central banks (e.g., the European Central Bank) which reside inside countries but adopt a market-independent monetary policy and which are largely autonomous from political interference. Also, the growth of private international authorities, including consultants, advisers and arbitration specialists.
4. The increased size and power of transnational corporations. (p. 257)

These features suggest that this type of globalization ("Globalization II") is closely associated with neo-liberal policies involving open economies, free trade, marketization, and the privatization of public services.

Although related, these two views of globalization, "Globalization I" and "Globalization II," have distinct features. A number of researchers (e.g., Carnoy, 1999; Olssen et al., 2004; Schugurensky, 2003) attempted to distinguish the effects of globalization stemming from the "objective" conditions of the new global economy from those associated with neo-liberal ideology focusing on reduced public spending and application of the market to social services. "Globalization I" leads to growing interconnectedness among countries and is a much broader phenomenon that constitutes a significant process (Olssen, et al., 2004; Olssen & Peters, 2005). "Globalization II," on the other hand, is driven by the neo-liberal ideology and, therefore, can be viewed as the ideological concept under which current economic ideas are organized.

According to Brock-Utne (2002), while the capital-led globalization may certainly lead to the increased production of commercially attractive articles and services, the competition for survival in an uncontrollable market can potentially create an enormous number of victimized losers in both poor and rich societies.

Welfare and Neo-liberal State Frameworks

Welfare State Framework

The term "welfare state" commonly refers to a capitalist society in which the government undertakes a chief responsibility for ensuring the well-being of its citizens through providing education, access to healthcare, and financial support during unemployment (Scott & Marshall, 2005). Having emerged after the WWII, the welfare state model was closely associated with Keynesian policy consensus, which lasted until the mid-1970s (Henry et al., 2001). Policy approaches in major Western countries were the outcome of many political pressures from governments for strengthening national economies and from civil society, which advocated for more equality and opportunity (Marginson, 1999). During this period, education was central in the pursuit of two policy goals: growing economic prosperity and equality of educational opportunity for all (Henry et al., 2001).

On the other hand, in Blackwell Encyclopedia of Sociology "welfare state" is also defined as a broad array of institutions, policies, and programs (e.g., health care, housing, pensions) aiming to secure adequate standards of living for an encompassing majority of the population in industrialized societies (Ritzer, 2007). While some researchers (e.g., Marshall, 1950; Leisering, 2003 as cited in Cousins, 2005) insisted that the United States and the former Soviet Union could not be defined as "welfare states," Cousins (2005) argued that under the broader definition and the existence of a range of social provisions available to their citizens, both the United States and the former USSR can be referred to as welfare states. In fact, a number of researchers (e.g., Kosygina & Krapivenskii, 1996; Manning, 1995; Manning & Shaw, 1998; Titterton, 2006) used terms "socialist welfare state" and "the Soviet socialist welfare state" in their studies of socialist countries and the USSR.

Manning and Shaw (1998) pointed out that in the USSR, the classic state socialist welfare model grew over a period of "debate, adjustment and modification between 1912 and its mature version under Khrushchev, and particularly the 1959 party programme" (p. 573). This specific welfare model was typified by centralized planning with a highly subsidized provision of a fairly basic level of welfare, including free health care and education, inexpensive housing costs, food and transport. Additionally offered benefits included retirement and disability pensions, maternity leave, family and child allowance (Kosygina & Krapivenskii, 1996). Although these social policies did not eliminate inequalities, there was a general commitment to equality in the system and egalitarian social attitudes (Manning & Shaw, 1998). The socialist welfare model was spread not only throughout the Soviet republics that made up the USSR, but also throughout Eastern European countries.

The main difference that existed between Western welfare state models and the socialist welfare state model was in that unlike many Western democracies, the USSR and other Socialist countries placed social (welfare) rights ahead of civil or political rights (Spencer, 1996). Despite the implementation of major social measures and welfare state, democracy was absent in the political sphere and personal freedom was significantly limited (Kosygina & Krapivenskii, 1996; Marshall, 1998).

During the Cold War, Western researchers interested in studying the socialist states generally used the term "state socialism" in their discussion of social practices of contemporary socialist-communist societies because the term "welfare state" was reserved solely for describing capitalist societies. Even John Maynard Keynes, whose economic theories formed the official policy discourse in Western nations up to the 1980s and who described himself in 1924 as a champion of "true socialism," fervently disassociated himself from all forms of state socialism (Cranston, 1978, as cited in Olssen et al, 2004). Although some researchers used the term "socialist welfare state," the conventional welfare state and state socialism paradigm prevailed. Chen (2002) pointed out that state socialism was in essence "a political model" applied to the study of socialist-communist states and that despite the end of the Cold War "this age-old notion still dominates research" (p. 228).

Considering that in the contemporary literature on comparative social policy analysis, the term "welfare state" is applied to both the Western style welfare states and the former socialist countries, it is appropriate to compare social policy perspectives of these distinct systems. In this dissertation, the broader definition of the welfare state discussed above is used in the subsequent analysis and discussion of the education policies of the Russian government and international organizations.

Neo-liberal State Framework

In the 1970s, the welfare state in many Western countries was significantly challenged by the neo-liberal policy framework. The free market became one of the central and distinctive features of neo-liberalism's theoretical and programmatic propositions across many nation-states (Olssen et al., 2004). As a policy framework, neo-liberalism represents a shift from the welfare state towards a political agenda favoring the relatively unfettered operation of markets and is directly associated with the so-called "globalization of capital" (Larner, 2000, p. 7). The 1990s were a decade of growing hegemonic neo-liberalism, which was popularized and pushed by multilateral agencies and powerful nation-states as the dominant economic doctrine for economic growth and development (Bonal, 2003; Larner, 2000). The neo-liberal approach emphasizes efficiency, which aims at pragmatically reaching social goals, while recognizing and respecting fiscal constraints (Gibbins & Youngman, 1996). Within the neo-liberal framework, governments focus on enhancing economic efficiency and international competitiveness and reducing welfare state activities. Applied to the public sector, market principles highlight the importance of the cost-efficiency of services, measurement of performance and, wherever possible, the commercialization of services (Henry et al., 2001). According to Olssen and Peters (2005, pp. 314-315), the central philosophical assumptions that characterize the neo-liberal mode of operation include

1. *The self-interested individual*: a view of individuals as economically self-interested subjects. From this perspective, the individual is presented as a rational optimizer and the best judge of his or her own interests and needs.
2. *Free market economics*: the best way to allocate resources and opportunities is through the market. The market is both a more efficient mechanism and a morally superior mechanism than government controls.
3. *A commitment to laissez-faire*: because the free market is a self-regulated order, it regulates more efficiently than the government or any other outside force. In this

principle, neo-liberals show a distinct distrust of governmental power and seek to restrict state power by limiting its role to the protection of individual rights.

4. *A commitment to free trade*: involving the abolition of tariffs or subsidies, or any form of state-imposed protection or support, as well as the maintenance of floating exchange rates and "open" economies.

This approach clearly differs from the welfare mode with its emphasis on human needs, and mutual obligations, and the right to state-provided welfare and "free" and compulsory education (Olssen et al., 2004). If previously, within the welfare state policy perspective, education was considered a social good, which justified increased public funding, currently, within the new global economic framework, education is regarded as an individual and social benefit, which justifies the introduction of user fees (see Table 3.1). Olssen et al. (2004) argued that the key force affecting and undermining nation-states and their educational policies was not globalization (which is an expansive process), but rather the imposed policies of neo-liberal governmentality. Today's governments, rather than formulating policies to ensure full employment and an inclusive social welfare system, appear to be focused on enhancing economic efficiency and international competitiveness. The consequence of such an approach is the "rolling back" of welfare state activities, and a new emphasis on market provisioning of formerly "public" goods and services (Larner, 2000).

Manning (1995) pointed out that since the 1990s, the Russian welfare state has also been moving towards "social welfare as a *commodity*, towards a sharply graded system of *stratification*, and in favour of a greater role of *markets* than state control," and away from social democratic traditions (p. 220).

The main tenets of the welfare and neo-liberal policy perspectives are presented in Table 3.1.

Table 3.1. Welfare Liberal and Neo-liberal Policy Perspectives on the State, Human Nature, Economy, and Education (Adapted from Olssen et al., 2004, p. 180-181).

	Welfare liberal	Neo-liberal
The state		
Modes of regulation	Keynesian; state/market separation.	"Positive" conception of state power; marketization of the state
Core philosophical principles	Egalitarian, – aims to minimize differences between classes; "new" rights to welfare and education	Enterprise economy supporting entrepreneurial spirit in private and public realms
State and welfare	Supporting the causalities of social change through organized state welfare programs	Limited support for the causalities of social change – targeted assistance; dismantling of welfare service provision
State/individual/group relations	Social contract based on theory of rights, or utility + interventionist	Aims to maximize diversity and choice between people
Form of state power	Interventionist, provider of welfare services as well as universal, "free" and compulsory education; plays a positive role in relation economy and civil society	Strong state/ reduced service and welfare expenditure; plays a "positive" role in relation to economy and civil society; indirect rather than direct state direction control and surveillance of people's lives
Conception of justice	Distributive or "end-state" justice (Rawls)	Entitlement justice according to market or legal criteria, that is one deserves what one has gained by legal means (Nozick)
Human nature		
Basic principles	Emphasizes human needs and mutual obligations	Emphasizes individual desires and wants; an autonomous chooser
Motives	Mixed between altruism, wants, self-love, and compassion. People are co-operative and interdependent; sense of natural justice	Dominated by economic motives, a self-interested chooser. People are viewed as competitive and self-interested
Shaping forces	Emphasizes nurture and environmentalism in combination with nature. Sees people as only partially autonomous	Emphasizes nature and the genes. People are self-constructed, on basis of choices. Each individual is responsible for themselves

Education		
Public or private good	Education is a public good. It aims to guide children in terms of social needs and individual talents (free and compulsory state provisions)	Education is publicly provided but privately distributed and accessed. Educators allow consumers to choose the education they want (quasi-market)
The purpose of education	Education has the potential to enhance persons in the full realization of all their abilities and competencies	Education will be used for the advancement of individuals who have paid for their skills
The personal ends of education	Education has the potential to develop the moral, ethical, social, cultural and political awareness of all citizens; emphasizes needs, interests and growth	Education is a commodity that could be traded in the marketplace for money or status. The skills acquired in education will reflect the nature of the market.
The social end of education	Education can assist the operation of the democratic process in society; a fundamental rite of citizenship	The state has no power to decide what kind of education is best for the individual. There will be freedom of choice in schooling
Relations between the child and the society	Education can help promote integration of children into society in terms of gender, race, class and creed	Education must be responsive to the needs of their clients in order to be competitive. Individuals will receive vouchers, which they can cash for a certain type of education
Knowledge		
The purposes of knowledge	Worthwhile knowledge satisfies society's needs and the individual's interests and development	Worthwhile knowledge satisfies individual's wants to compete; is a form of capital (that is, human capital)
Power over knowledge and the curriculum	The worth of an education is judged by expert educationalists, that is, teachers, principals, and educational policy planners	The worth of an education is judged by consumers, that is, parents and industry, in terms of the marketability of knowledge
The nature of knowledge	Education is broad and deep and emphasizes knowledge and understanding, which is not assessable in terms of outcome measures, but is dependent upon a particular context and the relationship with the teacher	Education emphasizes performance knowledge and skills of use to employers, which is assessable in terms of measurable outcomes. Skills not dependent on a particular learning context or a teacher to the same extent

Neo-liberal Policy Framework and Higher Education Policy

In the recent years, public education systems worldwide have been experiencing dramatic environmental pressures. Higher education institutions have been in a contradictory position, as the global processes have led governments to reduce public funding for, while requiring greater accountability of, higher education (Shumar, 2004). Some researchers (e.g., Henry et al., 2001; Larner, 2000; Marginson, 1999) argued that in recent decades, educational policy in major Western countries has been framed by the new policy consensus resulting from the combination of globalization and neo-liberal ideology. According to Brock-Utne (2002), Rhoades, Torres & Brewster (2005) and Torres & Schugurensky (2002), a U.S.- based, neo-liberal model of higher education came to be regarded and promoted as a standard for diverse educational systems. In Mexico, for example, the institutionalization of the American model was a result of the World Bank's and the IMF's structural adjustments as well as activities of the national government (Rhoades et al., 2005).

Vidovich and Slee (2001) suggested that for more than two decades, higher education reforms in many countries were the results of the rise of the market ideology associated with globalization. Virtually all institutions of higher education around the world have been affected by the concept of globalization (Banya, 2005). As Carnoy (1999) argued, globalization enters the education sector on "an ideological horse and its effects on education are largely a product of that financially-driven, free-market ideology, not a clear conception of improving education" (p. 28).

When applied to higher education policies, the neo-liberal approach emphasizes the role of education in the economy, while demanding reduction of state subsidies for public higher education, shifting costs to consumers, and calling for greater efficiency and accountability. This model presents education as an input–output system which can be reduced to an economic production function. The main dimensions of such an approach are increased competition among universities, flexibility, clearly defined objectives, and a results orientation. In addition, university administrations have to apply quasi-market or private sector management techniques to their public sector institutions. If previously, organizations were governed according to norms and values derived from assumptions about the "common good" or "public interest," at present a new set of norms and rules has been introduced into the public universities. Stromquist (2002) argued that due to economic globalization and prevalence of neo-liberal paradigm, strongly promoted by the IMF, the World Bank, and the OECD, the educational systems across nations are changing, becoming less a public good and more the manifestation of an economic sector that happens to be concerned with knowledge.

Globalising Bureaucrats

Shumar (2004) argued that globalization has been the ideological concept under which neo-liberal economic ideas have been organized. These ideas have been articulated through organizations like the OECD, the WTO, the World Bank, the IMF, as well as national governments. The policies promoted by these international agencies suggested that the older public institutions such as those administering education and welfare, which were funded primarily by public taxes, depleted a country's capital and should be restructured according to the market principles to run more efficiently in order to contribute to the modern economies. Within this global economic framework, higher education is increasingly viewed as the key element in the economic competitiveness and future prosperity of nations. For example, in the publications produced by the World Bank and the OECD, higher education policies were formulated in terms of "the neo-liberal project of globalization" (Olssen & Peters, 2005, p. 330), as well as "knowledge capitalism" and "knowledge economy" (World Bank, 2000).

Supranational organizations, such as the World Bank and the OECD, often compel governments to treat their education systems as institutions that can foster national economic growth and future prosperity. The educational policies devised by these agencies during the past years were remarkably similar in their rhetoric emphasizing competition, accountability and equity, the quality and flexibility of educational services, diversity, and lifelong learning for all. Kempner and Jurema (2002) argued that the market orientation of efficiency, productivity, excellence, and efficacy has displaced local concerns for equity and democracy in educational decisions. The policies proposed by the core countries destabilize national unity and enhance polarization between those who succeed in the market and those who never have access. Competition and individual merit at the global level replace solidarity and cooperation as educational goals at the school levels.

Researchers (e.g., Henry et al., 2001; Kempner & Jurema, 2002; Marginson, 1999) argued that the modern educational policy which emerged from the combination of globalization and neo-liberal ideology is being spread across the nation-states through the policy frameworks of supranational agencies. Neo-liberal advocates most often present the discourse of globalization as neutral, value-free, objective and in the best interests of all nation-states regardless of their political, economic and cultural characteristics. The internationally driven agendas of the World Bank and the IMF and structural adjustment programs (SAPs) have had a serious impact on the education, health, and other public sectors of nation-states. For example, in his analysis of the World Bank's and the IMF's policies Chossudovsky (1998), found that their reforms "brutally dismantle the social sectors of developing countries" (p. 68).

Sklair (1996) described such organizations as "globalising bureaucrats" who were actively promoting the view that the best interests of a country lie in "its rapid integration with the global capitalist system while maintaining national identity" (p. 5). Carnoy (1999) argued that the globalization of the world economy provoked three kinds of responses in the education and training sector: competitiveness-driven reforms, finance-driven reforms, and equity-driven reforms. The competitiveness-driven reforms aim primarily at improving economic productivity by improving the "quality" of labor, or human capital. The main goal of finance-driven reforms is to reduce public spending on education by privatization and reduction-per-student cost. Finally, the equity-driven reforms aim at increasing the equality of economic opportunity. One way that globalization has impacted higher education has been through the finance-drive reforms promoted by financial institutions. For example, the IMF and the World Bank loans require a receiving nation to reduce its public expenditure and consumer subsidies, eliminate price controls, charge user fees, and to privatize public enterprises, among other reforms.

Most governments are compelled to reduce the growth of public spending on education and to find other sources of funding for their expanding education systems. Because public-sector organizations, such as schools and universities, are expected to reflect the goals, values and culture of the broader society, they become vulnerable to interest groups (Bachrach, Masters, & Mundell, 1995). Carnoy (1999) argued that the structural adjustment programs (SAPs) of the IMF and the World Bank tended to have especially harsh effects on public services/investment and the groups that depend on those services/investment for sustenance and upward mobility. A number of empirical studies have found that the policies recommended by the IMF and the World Bank were associated with increased poverty, increased inequality of income and wealth, and slow economic growth (p. 51). Since globalization in most countries is often articulated in the form of finance-driven reforms, its primary effect on these countries' education systems is to increase inequality of access and quality.

Synthesis

The significance of globalization processes and their implications for higher educational policies are hard to exaggerate. However, globalization is not a new phenomenon that nation-states have to deal with in this millennium, but, rather, the intensification of an age-old process (Olssen et al., 2004). The modern spin on globalization has been the product of the advent of neo-liberalism, which has become the dominant economic discourse in many Western countries during the past several decades (Olssen & Peters, 2005).

Economic globalization is used as a vehicle through which the neo-liberal program and social sector reforms, including education, are spread across the nation-states with strong assistance from international agencies such as the IMF, the World Bank, and the OECD (Campbell, 2004). In capitalist economies, private enterprises were often viewed as the most successful ones (Rhoades & Sporn, 2002) and, therefore, in many countries, educational policies were reformulated through the economic discourse. Policy makers often argue that restructuring higher education according to a market model will provide incentives and sanctions to increase efficiency and effectiveness, and to improve the performance of institutions.

During the past decade, the Russian government received expert advice and funding from the major international organizations (e.g., the OECD, the World Bank, the IMF), which provided "a coherent, integrated" and "forward-looking map for the future," against which policies could be devised, reformulated and implemented over time (OECD, 1999, p. 3). The OECD, the World Bank, and the IMF played an important part in influencing policies in Central and Eastern Europe after the disappearance of the Eastern bloc (Cousins, 2005). Western-driven models of social and educational reforms have introduced a distinctly new policy framework into the Russian policy landscape. For example, the key policy issues reflected in Russian education reform proposals in the last 6 years indicated that they were devised in accordance with the role assigned to higher education in the global economy by the strong advocates of neo-liberal globalization (Buzgalin, 2001). Using the efficiency/quality argument, the authors of the current Russian educational modernization proposed student-centered funding (e.g., the "money follows the student" approach), reduced state funding for students, increased user-charges, and a system of bank loans. Neo-liberal discourses of accountability, efficiency and effectiveness, which are dominant in Western countries, are also present in the Russian policy arena. The ideological currents that have been diffused through policies and advice of supranational organizations have affected the context of educational policies in Russia.

Recent changes in Russian higher education cannot be examined in isolation from larger economic and political transformation, which is connected to the dynamics of globalization, the spread of neo-liberal policy framework, and the dismantling of the welfare state. The concepts of globalization and welfare state and neo-liberal policy perspectives provide a useful framework for the further analysis of Russian higher education policies and discourse and of the impact of the World Bank, the OECD, and the IMF.

CHAPTER 4

RESEARCH DESIGN

This chapter describes the research strategy used to conduct the study, the methods employed to collect, analyze and present the data, and the context leading to the investigation. The chapter opens with the discussion of my position as a researcher and the approaches to the methods, including the particular research strategy adopted for this study. This description leads into an explanation of the data sources and collection, and to sections addressing data analysis, the issue of trustworthiness and limitations of the study. To set the context for the current study, the chapter concludes with the historical overview of Russian higher education and the discussion of its main characteristics.

My Position as a Researcher

The future of Russian education and its role in the nation's development motivated me to pursue this research. My interest in the changes happening in Russian higher education results from my past experiences both as a student and a university instructor. I started my university career in 1990 and continued to teach in the Faculty of Foreign Languages at Yakutsk State University (Russia) until the year 2000.

Earlier, in 1997, while at Yakutsk State University, I received the Edmund Muskie Fellowship to pursue a Master's degree in Education Administration and Leadership. I was among some 200 participants from the former Soviet Union who were selected to study for graduate degrees in the United States. Along with other documents, I signed an agreement to return to Russia and share my knowledge and experience with my colleagues and students. The program sponsored by the United States Information Agency (USIA) and the Open Society Institute (OSI) was designed to train the young generation of leaders in public, business and education administration, as well as law and journalism. Education administration was a new field of knowledge for me, as my previous education background was in English philology and literature. During my formal education at the University of Nebraska (Omaha), I learned many new concepts related to the administration and management of education institutions, education law, and interpersonal and public relationships. After completing my Master's degree in 1998, I returned to my university to continue teaching English and Translation in the Faculty of Foreign Languages. I was very enthusiastic and wanted to share my fresh ideas with my colleagues who had never had the opportunity to learn about interpersonal relationships, conflict resolution, leadership styles, and many other topics related to educational administration. My enthusiasm, however, was short-lived. My return from the United States coincided with the 1998 economic crisis (which began just a week before my arrival in Russia), which further exacerbated the already difficult situation in the higher education sector.

Kishkovsky (2000) pointed out that Russian students returning from abroad to their home institutions sometimes find adjusting difficult, particularly because "the education system offers examples of both great progress and often frustrating stagnation, where the new freedoms and Internet culture run up against the Soviet status quo and ghosts of past glory" (p. 1). I am not sure about "the ghosts of past glory," but the economic conditions and the lack of government funding and concern were clearly detrimental for institutions and demoralizing for the academic community. All spheres of university life were affected by the long-lasting problems including those involving institutional infrastructure, working and studying conditions, and professional morale.

The economic conditions of the early 1990s turned a relatively stable university life into a decade-long struggle for survival. University and student housing buildings, library stocks, and computer facilities, if present, were in poor condition. With constantly declining staff salaries (that sometimes were delayed by months) and very limited resources available for professional development, publications and conferences, universities became places where faculty members were forced to look for additional income. Surveys revealed that a large number of educators (over 90%) considered their institutions to be in a state of deterioration and crisis (Matrosov, 1995) and expressed growing skepticism and alienation toward reforms (Ovsyannikov & Iudin, 2001). To supplement my inadequate university salary, I started to teach at the Linguistics Centre that was opened by the municipal Department of Education for those who could afford to pay for the advanced foreign language training. Centers like this one had been opened across the country to provide better foreign language and other advanced training for children of well-off parents. Due to my position in the education sector, I had the opportunity to observe the changes taking place in general and higher education. I could not help but notice the growing gap in educational attainment resulting from the economic and social restructuring and crisis.

During my university career, I saw many resolutions and laws being implemented with various degrees of success. I observed how some new initiatives died out because of lack of resources, unclear goals, and resistance caused by mistrust, misunderstanding, and lack of appropriate information. Watching my colleagues leave the university and even the country affirmed my belief that the crisis in higher education in Russia was more serious than it had first appeared. In describing the state of higher education in Russia, Bestuzhev-Lada (2001) argued that "it [the system] is agonizing and constantly threatens to turn into disaster unless these on-going tendencies are turned around for the better by a system of directed measures" (p. 29). Although throughout the 1990s, I continued to be optimistic about the future of higher education in Russia, I was also concerned about the negative impact of the long-lasting crisis in the economic and social sectors on general and higher education, students, the professorate, and the public.

In 2000, I decided to leave Yakutsk State University to pursue a doctorate and a new career in Canada. Coincidentally, in 2000, Russian people elected their new president, Vladimir Putin, whose education policies became the focus of my study. Education policies adopted by the Putin government made me think of their potential effects on the future of Russian higher education and society. I felt that the state's role was very important in developing future strategies and implementing educational reforms that would improve the education system, ensure equitable access to higher education, contribute to real democracy, and benefit all people of Russia. At this point, I observed that higher education was becoming less egalitarian and less accessible to ordinary people. I am also concerned that the merits of the previous system, which offered strong education particularly in sciences and languages, can be lost in the race for global competitiveness. The future of Russian education and its role in the nation's development motivated me to pursue my research.

Being away from Russia gave me the opportunity to observe the situation in higher education from a very different position – an outsider with the insider's knowledge. For the researcher, this insider's knowledge can be both a bonus and a disadvantage, which should be necessarily addressed to ensure that the findings of the study do not simply support researcher's predispositions.

Methodological Approach

This study's design was guided by the issue of methodological appropriateness (Patton, 1990, p. 39), which suggests that the employed methodology should be appropriate for a specific inquiry situation. According to Patton (1990), when choosing the method, one should not uniformly adhere to prescribed canons of either logical positivism or phenomenology, but, rather, select the method based on the goals of inquiry, the questions being investigated, and the resources available.

Based on the notion of "methodological appropriateness," a policy analysis approach was chosen as the primary research strategy. According to Olssen et al. (2004) policy analysis is a form of inquiry that provides either the information based upon which policy is constructed, or the critical examination of existing policies. The central focus of this study is on the analysis of the content and context of the educational policy of the Russian government and international agencies. I found this approach especially useful for exploring how higher education policies changed over time in the post-Soviet Russia and for exposing the relationships between the socio-educational past and present. The chosen approach is grounded in the critical theory tradition assuming that issues of justice and equity cannot be ignored when analyzing and interpreting policies either to assess the past higher education policies or the newly adopted policies in the Russian Federation. Conducting research within a critical frame requires the researcher to pursue ethical research principles and to assess research activity in relation to what might be broadly termed "social justice concerns" (Ozga, 2000). By adopting this position, the researcher needs to acknowledge that the espoused values have a considerable impact on his or her perception of the problem chosen for a study and also on the pursuit of an inquiry.

The choice of research strategy was a result of the literature review on Russian higher education policies, which suggested that the changes in this sector had been caused not only by the dramatic transformation of Russian society and the economy in the 1990s but also global developments in higher education policies. The review revealed a lack of research examining the origin of the new government policies and the role of international organizations in promoting reforms in the field of Russian higher education and the mechanisms through which these changes occur.

The decision to employ a policy analysis was also prompted by this study's purpose, which is to illustrate and discuss the transformation, development, and implementation of higher education policies in the Russian Federation during the Yeltsin and Putin administrations and to examine the role of international agencies in promoting social and education reforms during this period. This method offers a means for examining the values, assumptions and ideologies informing the policy processes and for investigating complex relationships between the state and citizens.

Data Sources

The data analyzed in this study were mainly documentary and included primary sources, such as government policy texts, reports, media releases, and records, and secondary sources, such as academic and media publications. Lincoln and Guba (1985) defined a "document" as any written or recorded material not prepared for the purpose of the research or at the request of the researcher and available prior to the research. As other sources of qualitative data, documents provide information, insights and meanings relevant to the researcher (Conrad, Haworth, & Lattuca, 2001). Documents present "unobtrusive" data (Fetterman, 1989, p. 68) and can be collected relatively easily compared to the collecting of data from interviews and observations. Because documents are grounded in the setting and the language in which they occur they may lend "contextual richness" and help the inquirer "to maintain interest in the context" and to ensure that research is not removed from "its social, historical, or political frame of reference" (Guba & Lincoln, 1981, p. 234).

My decision to use document data sources for the study was based on several factors: (a) policy texts are the most accessible research resource on educational policy; (b) my current location in Canada would have made conducting personal interviews with Russian and foreign policy makers and observations both problematic and expensive; and (c) my desire to avoid the "whims of human beings" (Merriam, 1998), which could jeopardize my research. I chose to use documentary data not only because they are "rich," "stable," and easily accessible to researchers in the age of the Internet, but also because they represent a ready-made source of data grounded in the contexts that they represent. My cultural and linguistic background gave me a distinct advantage in working with the Russian policy texts. If studied over the period of time when major changes in the policy arena are taken place, policy documents may tell the researcher about discourse transformation and the influences that come from national and international developments.

At the initial stage of the data collection, I discovered a large number of Russian education policy documents (e.g., federal laws and decrees) and an equally large number of policy documents produced by the international organizations (the IMF, the World Bank and the OECD). Thus, identifying relevant materials and establishing their credibility became an important initial phase in the process of data collecting.

After examining a significant number of Russian education decrees, laws, and policy documents I selected the documents according to their significance in the current education policy context in the Russian Federation. The first set of documents included the education laws – *Zakon ob obrazovanii Rossiiskoi Federatsii* (*the Law on Education of the Russian Federation*) adopted in 1992 and *Federal'nyi zakon o vysshem i poslevuzovskom professional'nom obrazovanii* (*Federal Law on Higher and Postgraduate Professional Education*) adopted in 1996 – that established principles of the state education policy after the dissolution of the Soviet Union and the re-emergence of Russia as a separate country and the 1993 Constitution of the Russian Federation. The second set of documents included the *Kontseptsiya modernizatsii rossiiskogo obrazovaniya na period do 2010 goda* (*Concept of Modernization of Russian Education for the Period up to 2010*), *Natsional'naya doktrina obrazovaniya Rossiiskoy Federatsii* (*National Doctrine on Education of the Russian Federation*), and *Federal'naya tselevaya programma razvitiya obrazovaniya na 2006-2010 gody* (*Federal Program of the Development of Education for the Period 2006-2010*). The latter policy documents were adopted by Putin's administration between 2000 and 2006. At present, all of the official documents selected for this study establish the guiding framework for general and higher education in Russia.

In addition to defining the direction of educational policy in modern Russia, these documents also reflect critical historical events that occurred in the country between the 1990s and 2006. For example, the dissolution of the USSR in the early 1990s and the fall of the Communist leadership had a profound effect on public and education policies that followed. The 1990s laws introduced ideas of humanization, decentralization, and democratization of education and society. Education policies adopted in the 2000s resonated with the government course on economic liberalization and modernization and marketability of Russian education. In my study, I wanted to examine a broad spectrum of policies that would reflect the complexity of the transition period from the Socialist order state to one with a market economy. Representing political and ideological developments in society, these policy documents helped me to identify changes in education policy and offered a better understanding of the forces shaping contemporary policy discourse.

Supplementary data were gathered from official documents of the Russian government including decrees, reports, ministerial plans, government official's speeches and policy papers elaborated by government's representatives. Most of the official documents produced by the Russian government were available in Russian and on-line through the official websites of the Government of the Russian Federation and the Ministry of Education and Science. Where possible, I tried to use the Russian documents that were translated into English and were available through the government official websites. However, if the English version was not available to me, I provided my own translation of the documents (see Appendix F). In several instance, I edited parts of the previously translated Russian texts, especially when some of the translated pieces could confuse the English speaking reader.

In the course of my research, I identified a large number of documents (e.g., policy reports, working papers, program documents, and official statements) of the IMF, the World Bank, and the OECD. In evaluating these data sources, I had to ask whether the documents contained information or insights relevant to the research questions posed in this study (I needed to establish their relevance to the Russian education context), and whether the data could be acquired in a practical and systematic manner. For example, I chose the OECD's *Reviews of National Policies for Education: Russian Federation* (1998) and *Tertiary Education and Research in the Russian Federation* (1999) because they were first major studies conducted by this organization in Russia after the beginning of Russia-OECD collaboration in 1991. The OECD team of experts investigated and analyzed the situation in the Russian education sector and provided a list of recommendations on how to overcome problems posed by the transition period and enhance education performance and competitiveness.

Sorting through World Bank's documents, I also had to consider their relevance to Russian higher education. The chosen documents included, among others, *Higher Education: Lessons of Experience* (1994), *Education Sector Strategy* (1999), *Higher Education in Developing Countries: Peril and Promise* (2000), and *Knowledge Societies: New Challenges for*

Tertiary Education (2002). In these documents, the World Bank provided statements of its education policy, identified current education problems and reform directions, made recommendations for the sector development, and described the organization's future involvement in education.

In addition, quantitative data regarding public expenditure in general and higher education, enrollment and institutional growth were gathered from official statistical reports produced by the Goskomstat (State Statistics Committee), the Ministry of Education and Science, the Ministry of Finance and international agencies such as the IMF, the World Bank, UNESCO and the OECD. The secondary data (e.g., newspaper and journal articles, books, technical reports, and the World Bank sponsored research) were collected from university and public libraries and from on-line publications. Most of the international agencies' documents were available on-line through their websites as well as through university libraries and research centers. While the majority of the IMF's, World Bank's and the OECD's policy papers and reports were written in English, some documents were available in Russian through organizations' Russian websites.

To ensure the "quality" of the selected documentary data, I employed the four criteria suggested by Scott (1990): *authenticity*, *credibility*, *representativeness*, and *meaning*. In this study, the criterion of documents' authenticity was established on the basis of their origin and authorship. All of the selected documents were produced by the Russian government, the IMF, the World Bank, and the OECD.

In assessing the credibility of the official documents, the researcher must question the "sincerity" of the author and "accuracy" of the account. However, in the case of official documents it can be extremely difficult to assess author's sincerity because in many cases it is impossible to know who the real author is and whether he or she is sincere or not. Many official documents are based on political views, and the author (or group of authors) may have little choice in producing the document (Scott, 1990). The documents analyzed in this study represent the "official" and highly political messages sanctioned by the agencies producing them. This limitation must always be kept in mind as interpretations of these documents are made.

Representativeness refers to assessing the "typicality" of documents. Considering the scope of this study, I chose to examine publically available policy documents of the Russian government and the international organizations. My primary concern was to ensure that the policy documents were relevant to the study's purpose and that, if desired, could be accessed by the reader. These policy documents varied in terms of the form, purposes (e.g., laws, decrees, policy papers, studies, and reports) and the time of publication, which can help in assessing their "typicality" and establishing their representativeness (Scott, 1990, p. 7). The Russian policy documents and two laws selected for this study can be regarded as "typical" because they are the only existing documents of their kind guiding educational policy in the Russian Federation. Policy documents of the IMF, the World Bank, and the OECD were selected based on their relevance to the study, that is to Russian higher education.

The criterion of *meaning* is considered one of the most important aspects of assessing documentary research. This criterion concerns the assessment of the documents themselves and implies that the literal reading of any document should be accompanied by the examination of the document's context, authorship, content, vested interests, presentation, and genre (Wellington, 2000). Considering that a text or document does not have a single "objective" meaning, but depends on the "interpreter," it was important for me to relate my "frame of reference" to that of the documents' authors (Scott, 1990, p. 31).

Once the appropriate documents were obtained, the data were collected from them. Conrad et al. (2001) stated that "the process of collecting data from documents is both systematic, in that it is purposeful and aims at accuracy, and flexible, in that the possibility of finding unexpected insights and information is appreciated" (p. 450). While collecting the data from documents, I created document summary forms, which ensured a systematic data collection process and helped me to identify major themes of the documents. The initial document analysis was guided by the following a set of questions

1. What is the title of the document?
2. Who wrote the document?
3. What were the social, political and cultural conditions in which it was produced?
4. What information does the document contain?
5. What themes or patterns (relevant to the research questions) can be gleaned from that information?
6. What is the significance of the document for the study?
7. How does this document relate to previous documents and later ones?
8. What further questions does the document generate? (Adapted from Scott, 1990; Conrad et al., 2001).

Answers to these questions provided the structure for the document summary forms and for further analysis and interpretation.

Data Analysis

Patton (1990) argued that the procedures of analyzing and reporting can vary dramatically depending on the purpose of a study: "Because different people manage their creativity, intellectual endeavors, and hard work in different ways, there is no right way to go about organizing, analyzing, and interpreting qualitative data" (p. 381). Since no ready-made patterns exist for the qualitative research design, it calls for creative work. The research questions, the analytical framework, and the sources of data are essential aspects of data analysis (Huberman & Miles, 2001).

Wolcott (2001) proposed a distinction between analysis in a broad "transforming data" sense and the kind of analysis which he referred to as "systematic procedures followed in order to identify essential features and relationships" (p. 581). The data collected for this study were analyzed sequentially in sets corresponding to the order of the Specific Research Questions. My objective was to present a comprehensive analysis of policy documents to reveal policy perspectives and relate them to the analytical framework adopted in this study. The document summary forms created during the initial phase of the analysis provided a basis for identifying main themes across Russian government's and international agencies' documents and the subsequent discourse analysis.

To understand the changes at the national policy level, one should extend observations to the global level. Therefore, in my study, I aimed to bind together the analyses of global higher education trends, positions of international agencies, and processes of social changes in Russia as they manifested themselves in current educational policies. Through the examination of policy papers, publications, mission statements, activities and projects of international organizations, I identified major themes, dominant policy discourses and philosophical positions of these agencies.

Critical Discourse Analysis

Ozga (2000) argued that discussion and analysis of text is a useful method in policy research, as most policy documents are publicly available and readily accessible, and can be examined over time. For this study, I chose to analyze educational policies by employing a critical discourse analysis (CDA). This framework is often used when an investigator wants to make an interpretive document analysis by tracking changes in educational policies. It can be particularly effective in analyzing discourses of educational policy, as it provides a basis for recognizing different discourse types and explains why language is politically important in the struggle over education policy (Olssen et al., 2004).

Social and cultural changes in society are manifested discursively in a variety of texts, including policy documents, political speeches, and media reports. Historically, radical socio-cultural shifts in Russia brought about changes in all forms of public discourse. For example, after the 1917 Socialist Revolution, the terms of address associated with the bourgeois society were replaced by the world-known term "tovarishch" (comrade). Similarly, the educational policies adopted by the Bolshevik government were radically different in their form and content from those of the previous Tsarist regime (Rosen, 1971). In the late 1980s and yearly 1990s, the Russian government drafted educational policies that resonated with the changing discursive regime, facilitated by perestroika and the overall transformation of the Russian State. The previous dominant Communist discourse was replaced by the discourse of *perestroika* and *glasnost* (openness), which subsequently was reflected in the educational policies of the post-Soviet period. According to Olssen et al. (2004), policy documents express and reflect historic realities, as well as perform certain functions of legitimation by establishing political consensus. Just as educational policies of the Soviet government reflected the socialist ideals and communist ideology, so in the 1990s we witnessed the emergence of a new humanization approach in education. In order to understand the significance of policy texts in the process of educational reforms, one must also understand "the material conditions within which such texts are produced and … examine critically institutional practices which they are used to defend" (p. 72). The concept of "discourse" enables researchers to conceptualize and interpret the relationship between the individual policy text and the wider relations of the social structures and political systems.

Commonly, the term "discourse" is used to refer to written or spoken communication or debate and also to a text or a conversation. Fairclough (1992) offered a three-dimensional concept of discourse and discourse analysis, which implies that any discursive "event" (i.e., any instance of discourse) is simultaneously a piece of text, an instance of discursive practice, and an instance of social practice. The language analysis of texts deals with the text dimension. The "discursive practice" dimension, or interaction in the "text-and-interaction" view of discourse, specifies the nature of the processes of text production and interpretation. Finally, the "social practice" dimension attends to issues of concern in social analysis such as the discursive event's institutional and organizational circumstances and how they shape the nature of discursive practice.

This point suggests that the critical discourse analysis of a communicative event is the analysis of relationship between three dimensions or facets of that event, which Fairclough (1992) called *text, discursive practice*, and *social practice*. Within Fairclough's framework, "texts" are specific instances of written or spoken language (e.g., policy documents and speeches). The analysis of discourse as "text" focuses upon linguistic processes (vocabulary, grammar, and structure). The "discursive practice" dimension of the communicative event deals with various processes of text production and text consumption. The analysis of discourse as "discursive practice" goes beyond the linguistic features of the text and involves a combination of "micro-analysis" and "macro-analysis." The former is the explication of how participants produce and interpret texts, the latter focuses on discursive practices in a whole society. "All of these processes are social and require reference to the particular economic, political and institutional setting within which discourse is generated" (p. 71). The third "social practice" dimension is related to the political, ideological, and power aspects of discourse. The analysis of discourse as social practice deals with ideological and hegemonic aspects of discourse. While the analysis of the texts can be called "description," the parts which deal with analysis of discourse practice and with analysis of the social practice of which the discourse is a part can be called "interpretation" (Fairclough, 1992, p. 73).

Besides describing discursive practices, critical discourse analysis also shows how discourse is shaped by the relations of power and ideologies and how discourse has constructive effects on social identities, social relations, and systems of knowledge and beliefs. In Fairclough's (1995) view, by employing critical discourse analysis, the researcher is able

> to systematically explore often opaque relationships of causality and determination between (a) discursive practices, events and texts, and (b) wider social and cultural structures, relations and processes; to investigate how such practices, events and texts arise out of and are ideologically shaped by the relations of power and struggle over power; and to explore how the opacity of these relationships between discourse and society is itself a factor securing power and hegemony. (p. 132)

Fairclough's approach to discourse analysis requires both a sharp focus on particular uses of language within actual texts and the relationships between a text and the wider domains of discursive and social practice (Olssen et al., 2004).

Historically, the changing political contexts in Russia have been reflected in its political discourse, and recent government policy documents also mirror the transformation of the state ideology and discourse. McKenna (2004) and other researchers (e.g., Chilton & Schaffner, 1997) pointed out that discourse has a history and is a product of a community and, therefore, is likely to reflect the characteristics and values of a particular group or society. During major social and economic restructuring, political leaders define current problems by interpreting them in terms of past failures and future possibilities. For instance, during the years immediately following the Socialist revolution of 1917, the government's policies specifically targeted everything that reminded the authorities of Russia's Tsarist and bourgeois past. Discourse was a major means to instill a new social order. Verdery (1991) discussed how during the post-revolutionary period, the Bolsheviks' government employed language "as the ultimate means of production" to revolutionize the masses' consciousness and to create a society of Communism and its subjects (p. 430). An example of how language was used during this era to alter the relationships in society involves the terms of address, *gospodin* and *gospozha* (Mister and Mistress), which previously signified the social status of a person and were replaced by a more egalitarian term, *tovarishch* (comrade), which was applied to both genders to demonstrate equality between the sexes and among the different strata of society (peasants, proletariat, and intelligentsia). In recent years, *tovarishch* has been replaced by the once ideologically incorrect bourgeois terms *gospodin* and *gospozha*. Yurchak (2003) defined such a phenomenon as a discursive inversion at the level of lexicon; for an example, he referred to the word *bolshevik*, which has been changed in most mass media discourses "from a sacred term to a slur" (p. 78).

According to Olssen et al. (2004), the policy documents (particularly in education), produced at various conjunctures throughout history, reflect the state's economic and social imperatives. In my examination of the Russian government's texts, I considered these educational policies in the context of Russia's political and social reforms and broader globalising processes. The policy documents chosen for this study were analyzed in terms of the messages that they conveyed and the dominant discourses. When working with policy documents, I paid particular attention to how these policies framed the issues, how they related to global and national imperatives, what assumptions were embedded in them, and what institutional developments or changes they required. An equally important part of the analysis was devoted to the examination of the language used in the policy documents. Analytical reading of policy texts also revealed the reiteration of phrases and key words that encapsulated policy makers' assumptions, which helped me to identify dominant discourses and to determine ideologies that informed education policies of the international organizations and the Russian government.

Fairclough's framework provides a useful method for analyzing discourses of educational policy, investigating discursive shifts, and social changes that come with them. Critical discourse analysis focuses not only on the linguistic features of policy texts, but also on the social processes in the construction of texts. In other words, it allows for the analysis of the relationship between discourse practices and the shifts in social circumstances.

The Issue of Trustworthiness

Researchers (e.g., Huberman & Miles, 2001; Patton, 1990) have stated that the qualitative researcher has an obligation to be methodical in reporting sufficient details of data collection and the processes of analysis so that others can judge the quality of the resulting product; so that the reader can be confident of the reported conclusions and can verify them; so that the secondary analysis of the data may be possible; so that the study could in principle be replicated; and finally, so that "fraud and misconduct," if they exist, will be more trackable (Huberman & Miles, 2001, p. 565). In qualitative studies, general interpretive criteria exist for assessing data analysis. The four widely reported criteria, credibility, transferability, dependability and confirmability (Guba, 1981) are often used to strengthen qualitative research and to enhance academic integrity. To address the issue of trustworthiness, I used several strategies appropriate for the adopted research design and methodology.

Credibility

In order to enhance credibility of my interpretations of data I used two strategies: investigator triangulation and peer debriefing.

During the data collection, analysis, and writing of the summary reports, I was able to discuss patterns of meaning, interpretations and assertions with my supervisor. Alternative interpretations and perspectives offered by other researchers and debated at these meetings provided opportunities for investigator triangulation. Scholarly presentations, based on this study, which I made to the academic community at the Annual Meeting of the American Educational Research Association in 2004, 2005 and 2006, and at Canadian Society for Studies in Education in 2002, 2004 and 2006 afforded additional opportunities for investigator triangulation. Additionally, while working on the dissertation, I had the opportunity to publish many of this study's findings in peer-reviewed journals. The comments and suggestions received from my supervisor and the academic community were helpful in preparing the draft and completing this dissertation.

Peer debriefing was another strategy used to test my insights and engage in a dialogue with my peers. Questions that my peers and supervisory committee members posed during the formal and informal department conferences and meetings as well as their critique helped to refine my inquiry. Although a researcher's peers cannot have the same involvement with the information as the principal investigator, their feedback is essential in assessing cogency and written persuasiveness of a piece of research.

In this study, I have provided extensive reporting of "raw" data in the form of direct citations from the policy texts of the international organizations and the Russian government, so that the reader could decide how accurate my summaries and interpretations of these texts are. To ensure that my translations of the Russian policy texts were close to the original, I asked an independent translator to evaluate my work. The translator found the translated pieces to be accurate and "of high quality."

Transferability

Guba and Lincoln (1981) argued that the concept of "fittingness," with its emphasis on analyzing the degree to which the situation studied matches other situations in which one is interested, can provide a more realistic way of thinking about the transferability of research results. They suggest supplying a substantial amount of information, or "thick descriptions," about the studied entity and its specific setting. This information permits comparison of a particular context to other possible contexts and will enable others to make judgments about fittingness with other contexts.

Thick descriptions of the Russian political and social conditions under which examined policy documents were formulated were vital in providing historical and relational grounding for the interpretive material. By describing and clarifying the historical context within which Soviet and Russian educational policies have emerged and continue to be formulated I tried to present a comprehensive picture of the policy making processes in the Russian Federation. Additionally, I have provided detailed information about activities of the international organizations, summaries of their publications, and summaries of Russian education laws in the Appendices section of this dissertation. Although Russian higher education policies were the major focus of this study, some of its findings can be applied to other similar contexts. These contexts may include the countries of the former Soviet Union, which have been undergoing social and economic transformation during the past two decades. Since the international organizations discussed in this study are working on the global scale, other researchers might use my analysis and interpretation of the IMF's, the OECD's and the World Bank's policies as a basis for comparison in other settings.

Dependability and Confirmability

In order to enhance dependability and confirmability of the data and their interpretations, an on-going audit trail was conducted as part of the investigation. During the data collection, analysis, and writing stages of the project, I had regular meetings with my thesis supervisor to address the questions that arose during the research process. I kept a journal in which I reflected on results of discussions and recorded specific decisions and concerns regarding my study. The audit trail, which consisted of journal entries, notes, and electronic communication with my supervisor, was an important means to enhance dependability and credibility of my research.

Guba (1981) suggested that practicing reflexivity and arranging for an investigator-free audit could address the problem of an investigator's bias and enhance research trustworthiness. In order to reduce potential personal bias, I had to reflect on my "cultural baggage," and "insider's knowledge." By keeping a reflective journal, in which I recorded my introspections, and participating in peer debriefings I was seeking to limit my personal biases and to "balance" my interpretations. Additionally, to minimize distortions and to ensure that my interpretations of the policy documents are supported by the data, I arranged for a "confirmability audit" (Guba, 1981) to be done by two external auditors. The two auditors (one English-speaking and one Russian-speaking) were provided with a set of policy documents to "certify" that (a) the data existed in support of my interpretations of the documentary data, and (b) these interpretations were made in ways consistent with the available data. The external agents identified themes similar to ones reported in my study. For example, the auditor examining the World Bank's document found that the organization cited social provisions for students (subsidized housing, food, transportation, and medical services) as one of the factors contributing to inefficiency of the higher education sector in the region, which supported one of the major themes that emerged in my document analysis – the problem of inefficiency affecting higher education in Russia. The Russian-speaking auditor pointed out that notions of "market," "globalization," "global economy," and "competitiveness," were central themes that ran through the 2005 *Strategy*. Thus, the independent "confirmability audit" conducted after completion of the study corroborated its major findings.

Working on this study, I tried to insure that my analysis, conclusions, and recommendations were consistent with the study's objectives and were derived from the specific data. However, I also wanted to draw attention to and challenge the dominant assumptions that inform current higher education policies in Russia and around the world. I hope that my project will open up new questions and stimulate new dialogue (Gadamer, 1994) about educational policy making in Russia and around the world.

Delimitations and Limitations

This study was delimited to the use of the documents that are presently released and publicly accessible. Given the constraints of completion of a doctoral level study, it is unreasonable to expect permission from the Russian government officials to access minutes of meetings and "closed-door" discussions. Documents were historically attacked for being possibly unrepresentative, lacking in objectivity, being of unknown validity and possibly deliberately deceiving (Lincoln & Guba, 1985). However, most of these limitations were addressed by selecting a variety of original policy documents produced by the Russian government, the IMF, the World Bank and the OECD to ensure their authenticity. Besides, all of these documents are available to the public and, therefore, can be accessed and requested for verification at any time.

The study was delimited to examining changes in higher education policy in the Russian Federation. Analyses and findings are based on the data gathered from the specifically selected policy documents published between 1992 and 2005. This major delimitation of the study can limit the applicability of the findings to other contexts. Thus, readers will have to make judgments about this study's fittingness with other contexts.

The choice of particular international organizations, the IMF, the OECD and the World Bank, constitutes another delimitation of the study. However, because these organizations work on global, regional and national levels, the discussion of their influence on international and national policy making can be relevant to other settings.

The perceptions held by the researcher on the basis of personal experiences as a student and professor at a Russian university can be regarded as a potential limitation of this study, which I attempted to address through the specific measures described earlier. At the same time, this personal experience and knowledge of the Russian language and culture gave me a considerable advantage in conducting this research, as I was able to read the policy documents in their original language and to relate them to critical events in Russian history and the existing context.

Overview of Russian Higher Education: The Context of the Study

Russian higher education and policy reflect the dynamics of the historical processes that have been taking place in Russia for over two hundred years. Instituted by Peter the Great in the 18th century, secular higher education was modeled after German and French university systems. When the Russian Empire entered its own era of scientific and education expansion, world science had already reached the highest point of its development at that time. According to Academician Sadovnichii (2004), organized theoretical knowledge in the form of Newtonian mechanics, Leibnitz's mathematics, Lomonosov's chemistry and Lamarck's biology became the foundation for the academic sciences, universities and general education in Russia and contributed to the "fundamental character" of Russian higher education (p. 23).

After the 1920s, the system underwent dramatic political and structural changes and was expanded to train a large number of specialists needed for the modernization of the growing country. Whereas traditional Tsarist education was elitist, classical, and authoritarian, Soviet education became popular, secular, technical, authoritarian and highly centralized (Popovecz, 1976). The Soviet education pattern emerged as an outcome of a major social revolution and emphasized the development of professionally trained proletariat elite with a Socialist consciousness.

However, many features of the modern higher education system, as it emerged during the first decades of the Communist regime, were inherited from Tsarist Russia. Universities concentrated mainly on training educators and researchers in the sciences and humanities and provided a comprehensive, theoretical education. Polytechnical and monotechnical institutes prepared specialists for the national economy (e.g., agriculture, medicine, and aviation). The USSR Academy of Sciences coordinated most of the fundamental and theoretical research conducted in universities, specialized institutes, academies, and research institutes. This structure was very distinct from other higher education systems (e.g., the United Kingdom and the United States).

An understanding of a particular education system involves a consideration of various factors – historical, cultural, institutional, and political – that shape the system. Educational policies adopted in the course of over two centuries of the existence of the Russian higher education system were closely related to historical events, and political and cultural ideas circulating at the time. Both Tsarist and Soviet educational policies were similar in that, depending on a particular epoch, they were either progressive or reactionary in character, reflecting the contradictory nature of the Russian monarchs and party leaders alike.

The creation and reformation of higher education mirrored the specific realities of the country, its cultural development and industrial evolution. All of these elements created a system that had unique institutional characteristics, some of which have survived throughout different regimes, political epochs, and crises. These characteristics speak of the distinct institutional pattern that has emerged in the country and that differentiates the Russian higher education system from other world's systems.

Characteristic Features of Russian Higher Education

The first feature of Russia's higher education system reflects the relationship between the government and the institutions of higher education. From its very inception, public higher education was controlled by the Tsars and then was later controlled by the Soviet and Russian government bodies. Policies were often formulated at the top by the designated authority, and institutions were to follow them. Starting with the University Statutes of the 19th century and from then on, the government essentially controlled all aspects of the sector's development and growth. It determined the number and types of educational institutions to be opened in the country, the number of students to be admitted, and the specialties that they should be admitted to. According to Cummings (2003), the new Soviet state from the very beginning intended to use central government funds to finance education. The reliance on state support for education went along with standardized curricula, admission procedures, textbook production, and distribution, and other centralizing tendencies. The Ministry of Education determined the programs and set the standards for educational institutions. At different stages of Russian history, the government also concentrated its attention on students, professors, social origin, political views, gender, ethnicity, and the language of instruction. Since the state was a major resource provider, it had the power to define the role and purposes of higher education.

The second enduring feature inherited from the Tsarist time was the distinction between universities and other institutions of higher learning. Universities stood separate from specialized institutes in that the former were to provide broad scientific and theoretical knowledge rather than train for a particular professional field. The Tsarist educational bureaucracy considered universities the elite institutions within its educational system. Although since the early 1920s, newly opened universities became more involved in professional training, they continued to be treated differently than other higher educational institutions. The number of universities remained considerably low up to the 1990s compared to that of specialized institutes and academies.

The stages of the development and reforms in Russian higher education showed that the policy changes were often prompted by significant external and internal events, including wars, reforms in European universities, public unrest, and student and political movements. Cummings (2003) argued that the magnitude and abruptness of the political shifts influenced the extent of the education reforms and were closely associated with class realignments. The latter were visible in education policies of the Bolshevik's and, later, Lenin's and Stalin's governments. The development of higher education in Russia suggested that education reforms were closely associated with political shifts and economic factors. Educational reforms in the early years of the Soviet State presented a classical example of how a political shift transformed the system from elitist to one for the masses.

Built on the old Tsarist foundation, modern higher education in Russia inherited a number of features of the previous epoch. However, the political shift brought by the Bolshevik Revolution of 1917 caused major class realignments in Russian society. In education, the Soviet Union consciously promoted a more egalitarian society (Popovezc, 1976). During the eighteenth and ninetieth centuries, the opportunities for higher education were open mainly for the sons of the upper classes, while the rest of the country remained predominantly illiterate. The Soviet government explicitly stated in its educational policies the desire to eliminate the obstacles to access higher education. This desire was implemented by establishing a free, secular, co-educational national school system and by admitting students regardless of their nationality and prior education. Admission policies continued to change under Stalin and Khrushchev, reflecting their political and economic aspirations. However, from the 1960s, the Soviet officials promoted the policy of admitting the "best-qualified" students. Detailed requirements for university admission had been developed over the years to assure that the institutions would receive academically prepared and highly motivated students.

At the institutional level, Russian higher education represented a distinct system that was a result of the centrally planned economy. Although modeled after French and German systems, Russian higher education had its own unique institutional characteristics distinguishing it from other Western European systems. For example, in the Soviet Union, university teaching, scientific research, and industrial production were institutionally separated, which later proved to be detrimental to the research activities in these institutions and the country's research and development in general.

Moreover, the specific features of Russian higher education were diffused throughout most of the Socialist bloc countries. Cummings (2003) argued that educational patterns formed in the core nations were usually spread by their respective colonial and/or ideological systems. The Russian Socialist pattern influenced Eastern European countries, Cuba, China and some developing countries that either had their specialists trained in the USSR or cooperated with it.

Societies usually devise education systems that best meet their expectations and needs. Similarly, the Soviet education system was designed to serve the goals of the state and society and to accelerate its economic development. In the Soviet Union, specialist training in the sciences was considered most important for the country's economic modernization. Guaranteed free access to higher education was a significant accomplishment that helped the nation to achieve excellence in many fields of science and technology and to create a well trained work force as well as Nobel-prize-winning researchers (Bain, 2001). Higher education's orientation toward the state's needs, its openness to all social classes, and its fundamental character were cited as the principles that traditionally served as the basis for the expansion of the system of higher education in Russia (Sadovnichii, 2004). These distinct features pointed to the unique pattern that emerged and developed in the country after the establishment of the Soviet State and that was later diffused throughout Socialist countries.

The pattern of higher education that evolved in the Soviet Union emerged as an outcome of the revolution of 1917. The main tenants of the education policy were developed immediately after the revolution and were realized within the following two decades. Although the new approach to higher education was a great departure from that of the past, in the later years, some prior traditions that had existed during the Tsardome (e.g., grading system and examinations) were reinstated. Thus, the modern pattern of higher education was a combination of some old traditions, borrowed ideas, and the new political design (a detailed account of the history of

Russian higher education and policy is provided in Appendix A). The distinctive characteristics of Russian higher education are summarized in Table 4.1.

Table 4.1. Summary of Characteristic Features of Russian Higher Education

The period of genesis of the Soviet higher education system	1918 -1936. In 1918, the Council of People's Commissars under V. I. Lenin initiated a radical reform in higher education. In 1936, the Constitution of the USSR guaranteed the right and free access to all levels of education.
Types of institutions	Universities, monotechnical and polytechnical institutes, and academies. Universities provided a comprehensive, theoretically oriented education. Institutes provided training for various specialists. Academies provided education in a specific area (e.g., medicine, pedagogy, agriculture, and architecture).
Admission policies	Individuals (16-35 years old) with complete secondary education were admitted to HEIs based on the results of competitive entrance exams. Student numbers were centrally planned.
Awarded degrees and qualifications	Diploma Specialist in a specified field, Candidate of Sciences, and Doctor of Sciences.
Main goals of higher education	(1) to produce specialists needed for the economy; and (2) to instill social, moral and political ideas. During the years of the Soviet regime, higher education became a major contributor to the modernization of the Soviet Union.
Financing of higher education	(1) the state budget of the USSR (significant portion); (2) non-government sources (collective farms, enterprises, trade unions); and (3) private sources (small amount; came from parents supporting students during the years of education).
Main characteristics	Popular, secular, technical and sciences oriented, hierarchical and highly centralized.

CHAPTER 5

AN ANALYSIS OF THE EDUCATION-RELATED POLICIES OF THE WORLD BANK, THE OECD, AND THE IMF

An Overview of International Organizations

At the beginning of the new millennium, a number of international organizations, including the World Bank and the OECD, were shaping educational policies in various parts of the world by conducting studies, providing recommendations, and financing educational projects and reforms. The list of internationally active educational organizations is substantial, ranging from philantropic foundations (e.g., the Carnegie Corporation) to juridical international organizations (e.g., UNESCO, the World Bank).

The dissolution of the Socialist bloc in the 1980s brought about the reogranization of the system of international organizations involved in education. For example, the OECD moved beyond its member-countries (the "rich countries' club") to embrace the "economies in transition" (in former Socialist countries), as well as the "dynamic economies" of Asia and Latin America (Henry et al., 2001). This reorganization provided the setting for the institutionalization of international influences on education, in large part in the form of aid conditions, "with the World Bank as the advisory, oversight, and sometimes managing agency" (Samoff, 2003, p. 67). The World Bank has become a powerful force in educational policy and research through its lending activities for educational reforms, innovation programs, and publications. In the early 1990s, this institution played a fundamental role in redesigning higher education policies in Latin America through its "structural adjustment policies" (Kempner & Jurema, 2002, p. 332). The World Bank has been actively transferring its ideas and "lessons of experiences" across nations' education systems. Spreading its advice and "lessons of experience," the organization has become one of the world's most influential ideological agencies in education. Since the mid-1990s, the World Bank has been providing loans and policy advice to the Russian government. Together with other funding and policy-setting organizations (e.g., the Soros Foundation, the

OECD, and the IMF), the World Bank inevitably had an external influence on Russia's education policies. At times, the external influence has been neither obvious, nor direct, and, therefore, may have been underestimated.

The World Bank, the OECD, and the IMF were chosen for this study based on the economic and social influence these agencies exert, and because they were directly and indirectly involved in shaping current Russian higher education policies after the dissolution of the Soviet Union in 1991. The years of cooperation between the Russian government and the World Bank, the OECD, and the IMF have affected the country's economy in general and its education system in particular. Internationally, these global actors have influenced higher education policies in many different ways. For example, the OECD, known for setting its educational policy agenda around the world, has advised the Russian authorities on educational reform. The World Bank and the IMF have provided loans and advisory services to the government on macroeconomic and social matters. The dependence on external funding and policy expertise leads to explicit conditions imposed by these agencies on the client countries and also to less direct, subtle influences. Samoff (2003) argued that the paths an external influence can take are "multiple, varied, and often not obvious" (p. 67). An analysis of the policy documents and reports published by the World Bank, the OECD, and the IMF related to international higher education, in general, and Russian higher education, in particular, can help to clarify these organizations' role and influence in informing Russian educational policies.

Thus, the purpose of this chapter is (a) to describe the activities of the World Bank, the OECD, and the IMF; their higher education policy framework (especially regarding institutional financing, accessibility, and student aid); and the lending policies of the World Bank and the IMF from 1997-2005; and (b) to analyze the policy documents produced by these agencies. The following research sub-questions guide the discussion in this chapter:

1. What major themes are presented in policy documents of the World Bank, the OECD, and the IMF?

2. What specific recommendations and policy directions related to higher education are expressed in the policy texts of the World Bank, the OECD, and the IMF?
3. What are the characteristics of the policy discourse employed by these agencies?

The World Bank

The World Bank was established on July 1, 1944 by a conference of 44 governments in Bretton Woods, New Hampshire (the United States). Created to assist Europe's reconstruction after the World War II, the World Bank today is more than a lending agency. In fact, it is not a "bank" in the common sense. It is a cooperative whose members are shareholders. The votes are distributed in the following way: the United States holds 16.41 % of votes, Japan - 7.67 %, Germany - 4.49 %, and the United Kingdom and France hold 4.31 % of votes each. The rest of the votes are distributed among other members. The member-countries set policies, oversee the Bank's operations and benefit from its work (World Bank, 2006).

The World Bank employs a multidisciplinary and diverse staff of economists, public policy experts, sectoral experts, and social scientists, and thus, plays an important role in the global policy arena. According to the World Bank (2006), at present, it is the world's largest external funder of education. Its education support is tailored to the needs of a particular country and includes equipping secondary and tertiary education students with skills, attitudes and values that are relevant for a growing competitive economy and expanding lifelong learning opportunities to enable all the students to participate in the knowledge society.

Although Russia joined the World Bank in 1992, the Bank's active involvement with education did not begin until the mid-1990s, or when the Russian government became aware of the threat to the education system "posed by underfunding of the decentralized education management" (World Bank, 2003, p 13). The head of the WB Human Resources and Social Development team, Dr. Heyneman, described the specific challenges that the Russian education system was facing during the transition period: (a) less money assigned for education, (b) fiscal responsibilities transferred to 89 regions, (c) new skills required by the market economy, (d) decentralization, and (e) increased educational inequality. In regards to these problems, the World Bank suggested that the government make necessary adjustments regarding better coordination between federal and regional responsibilities, fiscal adequacy and stability, efficiency in management, and equal education opportunities. Some specific suggestions were made regarding higher education. For example, in order to increase efficiency, institutions needed to diversify their sources of finance (e.g., donations; fund raising; revenue generation through sale of services and rental of facilities; user charges; and cost sharing). Staff reduction, closing down institutions and programs, and monitoring the absorption of graduates would ensure adequate use of available budget allocation (Heyneman, 1995, p. 4). Equal educational opportunities could be guaranteed through the introduction of objective and efficient mechanisms for student selection. For example, test-based university admission procedures should be administered anywhere in Russia, which would improve access to higher education across the country.

The World Bank's Education Projects in Russia

Since 1997, the World Bank has been involved in a number of projects specifically related to education. For example, the Education Innovation Project (1997) was designed to provide support to the reform of textbooks as well as limited support for tertiary education. The objectives included (a) improving, in selected higher education institutions, the quality and quantity of social science education; (b) establishing a better governance system; and (c) encouraging efficiency in the use of resources.

In May 2001, the Bank approved a US$ 50 million loan to support the Russian government's efforts to improve efficiency and access to good-quality general and vocational education through the Russian Federation. All the components of this project were closely linked to the education system's development strategy as approved by the Russian government and were part of the government's major long-term socio-economic activities (World Bank, 2001b).

At the next stage of its involvement in Russian education, the World Bank approved a US$ 100 million loan for the first phase of a total US $ 300 million Adaptable Program Loan to the Russian Federation for the E-Learning Support Project. During the initial phase of the project, the loan would be used to support education modernization goals and to help promote the accessibility, quality, and efficiency of education. The Bank's loan would assist the Russian Federation to reorient its educational system to the global information society by developing strategic planning and quality management approaches to the introduction of the information and communication technology (ICT) in education of teachers, and in general and initial vocational educational institutions (World Bank, 2004a, p. 3).

Besides emphasizing its lending role in the process of education modernization, the World Bank also referred to the added value that came with the organization's involvement in the project. Specifically, the World Bank (2004a) mentioned that while preparing the project itself and the sector study on the use of ICT in Russian education, the Bank had provided the Russian government with international experience and best practices in the use of ICT. The technical dialogue with both international and national experts was very fruitful and ensured that Russia was "a recipient of the best state of the art experience in this critical moment" (p. 22). The Bank invited other donors to the dialogue during the project's preparation (e.g., the European Union, the Open Society Institute, the British Council, and the Government of Finland).

According to the World Bank, it is probably the only international organization with sufficient resources to assist in a sector-wide policy reform in education in the Russian Federation. Moreover, the Bank has the capacity to mobilize and consolidate other donor support. For example, the 2001 Education Reform Project was complementary to the on-going projects of the European Union, the European Training Foundation, the OSI and the British Council (World Bank, 2005). Since 1992, when the Russian Federation joined the World Bank, the organization's commitments to the country have totaled more than US$ 13 billion for 58 operations (World Bank, 2004a).

World Bank's Publications

The "knowledge resource" and "advisor" role of the World Bank is expressed in the multitude of studies and reports regularly published by the agency (World Bank, 2006, p. 2). "Knowledge sharing" has become one of the important venues for the World Bank to demonstrate its function as "the knowledge bank" and to disseminate "lessons of experience" throughout the world. The list of the World Bank's publications, reports, and technical papers is extensive. The organization's website provides links to its publications, on-going international projects, and much more.

In this chapter only those World Bank publications related to higher education are addressed. Particular attention is paid to the reports dealing with Eastern European countries and so-called "economies in transition," the category under which the Russian Federation is currently described.

Higher Education: The Lessons of Experience

In its 1994 report *Higher Education: The Lessons of Experience*, the World Bank examined the main dimensions of the higher education crisis in developing countries and explored strategies and options to improve the performance of higher education systems in developing countries and the countries with transitional economies. The Bank argued that in all countries, higher education was heavily dependent on government funding, which became increasingly problematic in the era of fiscal constraints (World Bank, 1994).

> In all countries, higher education is heavily dependent on government funding. In an era of widespread fiscal constraints, industrial as well as developing countries are grappling with the challenge of preserving or improving the quality of higher education as educational budgets – and particular expenditures per student – are compressed. (p. 2)

In order to overcome this crisis, especially in the developing countries and the countries in transition, the World Bank offered a list of general policies that could serve as basic guidelines for all countries. Drawing on its extensive experience and involvement with higher education, the World Bank came up with four key elements that the participating countries should address to make their higher education more efficient. The first important element dealt with the greater differentiation of higher educational institutions, including the development of private institutions, considered to be more efficient and responsive than public institutions to changing market demands. Private higher education could be used as a means of managing the costs of expanding higher education enrollments, increasing the diversity of training programs, and broadening social participation in higher education. The Bank pointed out that successful examples of this policy included the countries in which governments encouraged a sound private sector through an appropriate policy and regulatory framework that avoided disincentives such as tuition price controls, and included mechanisms for accreditation, oversight, and evaluation.

The second area that had to be addressed concerned diversifying funding, including cost-sharing with students, and linking government funding closely to performance. Funding diversification could be achieved by (a) the mobilization of greater private financing of higher education, (b) the support of qualified students from low-income families, and (c) efficient allocation and use of public resources among and within institutions. In order to mobilize greater private financing, the Bank suggested involving students in cost-sharing, which could be pursued through tuition fees and elimination of subsidies for non-instructional costs.

> The financing base of public higher education can be strengthened by mobilizing a greater share of necessary financing from students themselves, who can expect significantly greater lifetime earnings as a result of receiving higher education and who often come from families with ample ability to contribute to the costs of their education. Cost-sharing can be pursued through tuition fees and the elimination of subsidies for non-instructional costs. Governments can permit public institutions to establish their own tuition and fees without interference, although governments have an important role to play in making objective information about school quality available to prospective students. (p. 6)

Funding from alumni and external aid and lending agencies could become another source of private resources, which is significant in some countries, notably the United States and the United Kingdom. Income-generating activities such as short-term courses, contract research for industry, and consulting could also add to institutions' incomes.

> An indicative target could be for public higher education institutions to generate income covering about 30 percent of their total expenditure requirements from nongovernmental sources. This is reasonable, given that several countries have already achieved this percentage with tuition fees alone. … In addition to reducing their dependence on public financing and their vulnerability to budget fluctuations, the active mobilization of funds from the private sector makes institutions more responsive to market signals. Cost-sharing with students also created important incentives for students to select their programs of study carefully and to minimize their time in school. (p. 45)

Recognizing that cost-sharing with students could not be implemented equitably without adequate financial support from the government, the Bank recommended that effective financial assistance programs be established. These could include scholarships, student loan programs, income-contingent loan schemes, grants, and others. In the Bank's view, these measures would enhance equity and allow poor students to access higher education. Additionally, governments were advised to use market forces (competition and demand) to stimulate the quality and efficiency of higher education. The Bank's lending policies would increasingly support countries that implemented cost-sharing and other measures emphasized by the organization.

The third important aspect of a successful reform would include redefining the state's role in higher education, with increased emphasis on institutional autonomy and accountability. The government's role should be redefined, because in many countries, especially developing, the state's involvement in higher education had far exceeded what was economically efficient.

> The crisis of higher education, particularly in the public sector, is stimulating a change in the extent, objectives, and modalities of government intervention in higher education in order to ensure a more efficient use of public resources. Rather than direct control, the government's responsibility is becoming that of providing an enabling policy environment for both public and private higher education institutions and of using the leverage of public funding to stimulate these institutions to meet national training and research needs efficiently. (p. 9)

Thus, the government should establish a well-defined legal framework and consistent policies for both the public and private sector and allow for greater management autonomy for public institutions. Reliance on incentives and market-oriented instruments would help to implement new policies and provide an enabling policy environment for both public and private institutions. Although clear economic justification existed for the state's support of higher education, the crisis of higher education demanded that governments reconsider their roles and involvement in the sector.

The Bank's fourth essential component of higher education reform dealt with issues of quality, responsiveness and equity in the sector. High-quality training and research required well-prepared students whose training would depend on the quality of academic secondary education and also on the selection process for higher education. At the same time, universities would need high-quality teaching staff and access to up-to-date pedagogical information. Effective evaluation mechanisms that combine self-evaluation of institutions and external agency assessment should be introduced to ensure quality. Responsiveness to changing economic demands could be achieved through the participation of private-sector representatives on the governing boards of public and private higher education institutions. This representation would strengthen the communication and linkage between higher education and various sectors of economy and would also address changing training requirements. In the Bank's view, achieving greater equity of higher education participation was important for economic efficiency, social justice, and stability. This increased equity could be accomplished through various measures including preferential admission policies for certain groups of students as well as through access to quality secondary education.

Although the report focused primarily on the developing countries, it also discussed the situation in higher education in the countries undergoing a rapid economic transition, including the former Socialist republics in Eastern Europe and Central Asia. Throughout the text, the authors described higher education problems in the region in connection with Socialist political regimes. For example, the authors suggested that the communist governments' policy of deliberately separating scientific research from advanced scientific training had been detrimental to their national economies. Furthermore, Russia's economic crisis had seriously compromised the government's ability to adequately support its research and development (R&D) and public higher education. The Bank stated that the communist centrally-planned economy was the source of many of the problems that plagued Russian higher education. Institutional fragmentation, as well as the large number of small and narrowly specialized institutions supervised by different government ministries, were an example of the poor planning and lack of coordination which was causing serious problems within the sector. Having no tradition of cost recovery in public higher education, Russia should consider cost-sharing to strengthen the financial base of its public higher education. Being a strong advocate for cost-sharing in higher education, the Bank increasingly tried to assist countries to set up student loan and financial assistance programs. The Bank was supporting student loan projects in several countries including Mexico, China, Venezuela, and Columbia.

Elaborating its strategies for higher education reform, the Bank reiterated the bleak economic outlook for a significant increase in public financing for higher education in the following decade. The fact that many governments, for social and political reasons, committed themselves to expansionary policies aimed at accommodating the growing demand for higher education, without reference to available resources, quality standards, and labor market demands, and at little or no cost to students would make these expansionary policies very problematic. The Bank believed that if these tendencies were not reversed, many countries would enter the twenty-first century insufficiently prepared to compete in the global economy, where growth would depend on technical and scientific knowledge.

In the future, the World Bank lending policies for higher education would be based on countries' efforts to adopt policy reforms that would allow the subsector to operate more efficiently and at a lower public cost. The priority would be given to the countries that prepared to adopt the policy framework that stressed a differentiated institutional structure and diversified resource base, with greater emphasis on private providers and private funding.

> While the composition of the package of the policy reforms will vary by the region and income level, reflecting the specific socioeconomic and political circumstances of each country, in most cases it includes some combination of measures to:
> Control access to public higher education on the basis of efficient and equitable selection criteria

> Encourage the development of institutions with different programs and different missions
> Establish a positive environment for private institutions
> Introduce or increase cost-sharing and other financial diversification measures
> Provide loan, grant, and work-study programs to ensure that all qualified but financially needy students can pursue higher education
> Allocate public resources to higher education transparently and in ways that strengthen the quality and increase efficiency
> Enable higher education institutions to autonomously raise and utilize resources and determine student intake. (p. 86)

At the national and institutional level, the World Bank would continue to support capacity building, institutional development for higher education and measures to improve its quality. This could be done through the Bank's assistance in strengthening oversight or advisory bodies with a capacity for policy analysis, evaluation of requests for funding, monitoring institutions' performance and making information about institutions' performance available to students.

Education Sector Strategy

In the *Education Sector Strategy* report (1999), the World Bank posed that in the new millennium, education would become increasingly important for the future of a nation.

> The world is undergoing changes that make it much more difficult to thrive without the skills and tools that a high quality education provides. Education will determine who has the keys to the treasures the world can furnish. This is particularly important for the poor, who have to rely on their human capital as the main, if not the only means for escaping poverty. (p. 1)

Modern educational change was driven by rapidly spreading democratization, the prevalence of market economies, globalization of markets, technological innovation and changing public and private roles and stereotypes.

> Global capital, movable overnight from one part of the world to another, is constantly seeking more favorable opportunities, including well-trained, productive, and attractively priced labor force in market-friendly and politically stable business environments. … Again, education will be center stage: failure to recognize the importance of investing in human capital and equipping workers for the challenges ahead will handicap them severely. (p. 2)

While governments in most countries played a major role in providing for education, they would no longer be able to do everything, considering competing claims on the public purse. The private sector's involvement, which pre-dated government provisions of education, would continue to become increasingly substantial.

> Achieving universal primary education and broadening access to higher levels of the system while maintaining fiscal discipline requires countries to find more efficient ways of delivering quality education and of involving private financing in ways that ensure equity. The choice that countries face will include such issues as (1) devolution of school control to parents and communities, (2) policies regarding private schools (including those run by religious organizations, NGOs, and employers), (3) student loans and tuition levels for tertiary education, and (4) the degree of choice that families have among different educational options. (p. 9)

Referring to Russian education as a "reform system," the Bank stated that although its education system appeared to be of "reasonable quality," in the past years, due to the economic problems and underfunding, the maintenance of the system was under strong threat and, in some contexts, subject to "future collapse" (World Bank, 1999, p. 15). In order to move beyond outdated education system, the government should modify old spending, financing, and private-public roles. The Bank would support government's efforts to realign education systems to respond to demands of market economies and open societies; to get higher value for education system by spending money smarter; secure sector fiscal sustainability; and strengthen sector governance and accountability (p. 75).

Hidden Challenges to Education Systems in Transition Economies

The *Hidden Challenges to Education Systems in Transition Economies* (2000) report specifically dealt with the educational issues of the former Socialist countries. The Bank acknowledged that before the transition from planned economies and authoritarian political systems, the region had generally universal adult literacy and that the completion rates for children and youth of both genders were high at all levels of education. The existing education system was appropriate for the previous economic and political system. However, international evidence showed that this system did not create the best product for a market economy. Since "the rules of the game" had changed, these countries should realign their education systems with those of open societies, which have market economies.

One of the pressing issues in the region still remained the serious fiscal constraints due to the macroeconomic decline, which could seriously undermine education outcomes and fairness. User charges and the expansion of the private sector were cited as the main factors for improving the higher education sector (World Bank, 2000). The Bank's lending in for the sector would support governments' and the private sector's measures to create frameworks for private or mixed public-private sector provision and financing.

Joining other countries, the Russian government had already introduced tuition and fees to shift a share of costs from taxpayers to students and their families. An important implication was that Russia (like many other Socialist bloc countries) had constitutional provisions of free education at all levels, or had what some called "the constitution that it could not afford." The Bank stressed that a student loan scheme and means-tested scholarships, which would require overcoming several formidable obstacles, should complement user charges. For example, consumer credit was underdeveloped, and Russia had little tradition of voluntarily payments of credits and little onus attached to default. Additionally, the history of highly subsidized higher education in the region would undermine the borrower's sense of obligation to repay the lender.

As in its pervious 1994 report, the World Bank team reiterated its concern with the inefficiency permeating all levels of education. The sector had not adjusted to the new economic reality by reducing inefficiencies, which could ultimately damage educational quality and fairness. Therefore, the Bank advised the Russian government to focus on the relationship between the resources consumed and the outcomes secured.

Summing up its review, the World Bank (2000) stated that its business strategy in education would focus on changing concepts and the "rules of the game," providing incentives, and improving capacities. Being a "development" institution, the Bank wanted to ensure that policymakers would make education related decisions on more realistic premises and information than they had done previously. Policymakers should change their pre-transition values and standards and adopt the concepts of efficiency, Western-type fairness, human capital, and market economy. Part of the Bank's strategy would consist in creating opportunities for the involved ministries (education, finance, labor, and public administration) to see what "good" looks like. Meanwhile, the Bank would continue to base its lending-for-education decisions on defined priorities, including the realignment of education systems with those in open societies.

Knowledge Societies: New Challenges for Tertiary Education

In the 2002 *Knowledge Societies: New Challenges for Tertiary Education* report, the World Bank elaborated on its previous policy research and analysis summarized in its earlier publications, *Higher Education: Lessons of Experience* (1994) and *Education Sector Strategy* (1999). While expanding many themes, the study focused on the growing importance of the advancement and application of knowledge.

The report discussed the contribution of tertiary education to building up a country's capacity for participation in the increasingly knowledge-based world economy and investigated policy options that could enhance economic growth and reduce poverty. The Bank argued that social and economic progress could be achieved through the advancement and application of knowledge. Therefore, the role assigned to tertiary education was to effectively create, disseminate, and apply knowledge in order to build technical and professional capacity. Furthermore, developing and transitional countries would continue to be at a risk of being further marginalized in a highly competitive world economy because their tertiary education systems were not adequately prepared "to capitalize on the creation and use of knowledge" (World Bank, 2002, p. xix). To combat these negative tendencies, the state should put in place an enabling framework that would encourage educational institutions "to be more innovative and more responsive to the needs of a globally competitive knowledge economy and to the changing labor market requirements for advanced human capital" (p. xix). The Bank would assist its client countries by drawing on its international experience and by mobilizing the necessary resources to improve the effectiveness and responsiveness of the higher education sector.

The changing global environment brought with it both opportunities and threats. For example, the growing role of knowledge created opportunities for economic growth, the resolution of social problems (involving the food supply, health care, water supply, energy), but also threatened to increase the knowledge gap among nations. Similarly, the information and communication technology (ICT) revolution providing easier access to knowledge and information could result in a growing digital divide among and within nations. Among the opportunities provided by the global labor market, the Bank listed an easier access to professional expertise, skills, and knowledge. At the same time, the global labor market would threaten nations' wellbeing by increasing the brain drain and the loss of advanced human capital. Political and social change could provide opportunities and threaten countries as well. It could create a positive environment for reforms and also produce political instability, a brain drain, and, in some cases, (e.g., HIV/AIDS) the loss of human capital.

The 2002 report pointed out the continuing crisis of tertiary education but, this time, emphasized the developing and transition countries. The Bank acknowledged that in the former Socialist countries, the achievements of tertiary education had been especially noteworthy in the fields of mathematics, natural sciences, and engineering. However, in the past years, the demand for engineers and technical professionals had fallen sharply. At the same time, an interest in the fields of study related to the market economy had surged. Consequently, many higher educational institutions had introduced new programs in economics, management, and marketing. The Bank argued that the fast pace of social and technological change had increased the rate at which skills became obsolete. The market economy demanded "broad skills" such as critical analysis, problem solving, and teamwork (2002, p. 112). With this point in mind, transition economies should consider the following options for improving tertiary education: (a) more flexible and less specialized curricula; (b) shorter programs and courses; (c) less rigid regulatory framework; and (d) a system of public funding that would encourage institutions to respond to market demands. Additionally, governments should improve access to higher education through the provision of financial aid to students, which would require external participation in the institutional governance and professionalizing of university administration.

Equitable access to tertiary education opportunities would be important in easing the inequalities and related social problems that had plagued the former Soviet Union countries since the beginning of their transition to the market economy. The Bank pointed out that in less than 10 years, income inequality in this region had increased significantly and was greater than the OECD average. The speed at which income inequality was increasing in the region was dramatic and alarming. Considering this situation, transition economies would need to address these issues, in order to provide the human resources required for advancing knowledge and applying it for economic growth.

To create the opportunities for the human capital formation, the new development framework should provide (a) more education for more people, as the knowledge-driven economies would demand higher-level skills in the workforce; (b) lifelong learning; and (c) international recognition of qualifications.

The Bank predicted that, as the crisis of tertiary education continued in transition countries, mass tertiary education would continue to experience resource constraints. Drastic reductions in public funding would jeopardize the quality and sustainability of the existing programs and the survival of entire institutions. In Russia, financial crises, decaying equipment, unemployment and low wages would drive large numbers of researchers away from science and technology. As a result, the tertiary sector would experience a serious brain drain.

In the new millennium, the World Bank would renew and deepen its commitment to "enhancing the contribution of tertiary education to economic and social development worldwide" (World Bank, 2002, p. 100). The analysis of its involvement in tertiary education for the last decade provided valuable lessons that the World Bank could draw upon in its future activities or involvement. The Bank identified priority areas that would enhance the effectiveness of its interventions in the sector. The first policy issue was connected to the need for a systemwide and sustained approach.

> Comprehensiveness and sustained long-term engagement are important predictors of outcome. Policy measures and investments that are integrated into a broad reform program based on a global vision and strategy for change are most likely to bear fruit. ... The preference for comprehensiveness does not mean that all aspects of a reform can or should be packed into a single operation. This is where sequencing plays a crucial role in the implementation of systemwide approach. (p. 104)

The second important issue stressed by the World Bank concerned the political economic aspect of reform. In the past, the Bank had assumed that to introduce change successfully, it was sufficient to design a technically sound reform program and to reach an agreement with top government officials. However, as the experience had demonstrated, the effective use of social communication campaigns when launching and implementing tertiary education reforms and innovations would be helpful in building consensus among various constituents of the tertiary education community.

The third aspect dealt with the role of incentives in promoting change. For example, well-designed competitive funding could stimulate the performance of higher education institutions and could become a powerful vehicle for transformation and innovation. Accreditation mechanisms and management information systems could also be an effective means to influence the outcomes of the reforms (World Bank, 2002). At the same time, the Bank acknowledged the difficulties that could arise from certain aspects of reforms, the Bank "has been less successful in supporting the implementation of politically sensitive reforms such as moving from negotiated budgets to formula funding, reducing subsidies, and introducing tuition fees" (p. 108).

Considering the last 50 years of its involvement in tertiary education, the World Bank now emphasized a holistic education strategy for "the construction of democratic, knowledge-based economies and societies" (p. 107). The World Bank could be a key player in facilitating a policy dialogue and knowledge sharing by supporting reforms through programs and project lending, and by promoting "an enabling framework for global public goods crucial for the development of tertiary education" (2002, p. 107).

According to the World Bank, its comparative advantage in relation to bilateral donors and other multilateral agencies in supporting policy dialogue in client countries stemmed from two related factors: (a) the Bank's first-hand access to worldwide experiences, and (b) the comprehensive nature of the organization's work in a given country, which would allow the Bank to adopt a systemwide approach. In other words, the Bank could link the education sector reforms to the overall development framework and public finance context (World Bank, 2002, p. 108).

In the new millennium, the Bank would continue to support the implementation of the tertiary reforms in the transition countries such as Russia primarily through the programs and projects that address a certain set of priorities. First of all, the national-level public policy should address the increased inequity caused by the expansion of tuition-based enrollment.

> The leading options for improving tertiary education include introducing more flexible and less specialized curricula, promoting shorter programs and courses, making the regulatory framework less rigid, and relying on public funding approaches that encourage institutions to respond to market demands for quality and diversity. … Public investments are needed to build capacity for academic and management innovations, to expand the breadth of course offerings at individual institutions, and to create new programs in response to evolving demand-driven areas of learning. (p. 113)

Additional important options would include better access to tertiary education through the provision of financial aid to students, external participation in governance, and professionalizing university administration (World Bank, 2002). A more detailed overview of the World Bank publications discussed in this chapter is provided in Appendix B.

The International Monetary Fund

The International Monetary Fund, also known as the "IMF" or the "Fund," was conceived at a United Nations conference in Bretton Woods, New Hampshire (the United States) in July, 1944. The governments of 45 participating countries sought to build a framework for economic cooperation that would avoid a repetition of the disastrous economic policies that had contributed to the Great Depression of the 1930s. The main goal of this international institution was to oversee the international monetary system and to promote the elimination of exchange restrictions relating to trade in goods and services, and the stability of exchange rates. "The IMF works to promote global growth and economic stability – and thereby prevent economic crisis – by encouraging countries to adopt sound economic policies" (IMF, 2006, p. 1).

At present, some of the most important activities of the Fund include global, regional, and country surveillance, lending, and technical assistance. As part of its surveillance activities, the IMF arranges official staff visits to its member and borrower countries, conducts consultations and monitors economic and financial development programs. It also provides policy advice aimed especially at crisis-prevention. The Fund lends to countries with balance-of-payments difficulties and to low-income countries. Technical assistance and training in the areas of the Fund's expertise are available through the IMF Institute, which is a leading department in training. Since 1989, the IMF has been involved in transforming the Russian and former Soviet economies "from centrally planned to market-oriented systems." It has worked in partnership with these countries to help stabilize and restructure their economies - including, for example, helping them build the legal and institutional framework of a market system.

As a "global institution, with a macroeconomic policy mandate," the IMF is ideally placed to address the most pressing challenges facing the international economy (Krueger, 2006, p. 2). More detailed information about the mission and activities of the International Monetary Fund is provided in Appendix C.

The IMF's Policy Priorities

The IMF's main policy priorities stem from its mission, which is concerned with macroeconomic policies and financial stability. These priorities are reiterated in the policy documents, statements, and publications produced by the Fund's staff and researchers.

In the IMF's *Working Paper*, Odling-Smee (2004) stated that from the very beginning of the transition period in Russia, the IMF encouraged the Russian government to include various protection measures to ensure strong social safety nets. However, during the 1990s, little effort was made to reform the social sector or to protect social expenditure from general fiscal tightness. Despite its concerns about the situation in the social sector, the IMF "did not push hard for higher social expenditure or the reform of the social safety net " because the IMF was not qualified to advise on the health and education sectors; the World Bank was active in these areas (p. 32).

In its *Concluding Statement of the 2005 IMF Mission*, the Fund assessed the recent economic developments in Russia and the outlook for 2005. Commenting on the Russia's fiscal policy, the IMF expressed its concern about the major fiscal relaxation which could increase the rate of inflation (IMF, 2005). Specifically, the IMF warned that caution should be exercised when pursuing the fiscal relaxation policy prompted by recent oil revenues:

> Spending the oil wealth on wages, pensions and other recurrent expenditure before there is a political resolve to push ahead with reforms will at best be a waste of opportunity to accelerate Russia's economic modernization; at worst, it will require painful and prolonged fiscal tightening if the prices of oil were to drop sharply. (IMF, 2005, p. 3)

Although the Russian government's long-term structural reform agenda remained generally well focused, its progress was disappointing. Apart from the banking sector, most of the priority reforms were running behind schedule, with some at a stand-still. The IMF was particularly concerned that the encountered opposition to the social benefit reforms was reducing the resolve to push ahead with other key reforms in the health and education sectors. Considering that the government would be increasingly unable to resist mounting political and social pressures to use oil revenues to raise wages and social transfers, it would urgently need to advance reforms that would increase potential economic growth. While increased social expenditures were needed and while wages and pensions were very low, "they [could] only be increased in a sustainable manner through policies that accelerate[d] growth," the Fund concluded (IMF, 2005, p. 4).

As the Fund's principal objective would remain the maintenance of international financial stability, the agency would continue its advisory role as a global institution with a macroeconomic policy mandate (Krueger, 2006). In examining the outlook for the world economy in 2006, the IMF suggested that the former Soviet Union countries should take further steps to make their economies more flexible to sustain rapid economic growth.

> That will strengthen them [economies] and raise potential growth rates – and so accelerate poverty reduction. Flexibility is vital for sustained rapid growth. Individuals and firms need to be able to respond, for example, to technological developments that alter the way business is conducted. … Those economies that lack sufficient flexibility to enable policymakers, firms and workers to adapt to the constantly shifting global environment will, inevitably, fall behind those that are equipped to respond flexibly to new challenges. (p. 1)

Although the path from a centrally planned to a market economy was truly challenging, many of the undertaken reforms had started to bear fruit (Krueger, 2006). In the future, the Fund, in co-operation with its sister institution, the World Bank, would continue to actively promote institutional and structural reforms among the most intensive reformers, namely the Eastern European and Central Asian nations. According to the IMF, additional opportunities for improving economies will be provided by globalization. Already, many countries, developed ones and emerging economies, "are benefiting from globalization to finance imbalances that were unfinanceable only a few years ago" (IMF, 2005, p. 12).

The Organization for Economic Co-operation and Development (OECD)

The Organization for Economic Co-operation and Development was established in 1961 as a result of the transformation of the Organisation for European Economic Co-operation, which had been funded under the Marshall Plan to help stimulate the economic revival of Western

Europe. The new entity extended its membership to Canada, the United States, and, later, Australia, New Zealand, Japan and Finland. Ideologically, the OECD is a strong proponent of the market economy, pluralistic democracy, and, more recently, respect for human rights, which is essentially a prerequisite for membership.

The OECD is best known for its publications and statistical reports dealing with economic and social sectors, education, trade, science and innovations. One of its goals is to foster good governance in the public service and in corporate activity. Publishing its individual country surveys and reviews, the OECD helps governments and policy makers to ensure the responsiveness of key economic areas with sectoral monitoring and to identify policies that work. The OECD produces internationally agreed-upon instruments, decisions and recommendations to promote "the rules of the game" in areas where multilateral agreement is necessary for individual countries to make progress in a globalized economy (OECD, 2003).

Since the role the OECD ascribed to itself was not academic, the organization felt that it did not have the authority to impose its ideas. Rather, its power lay "in its capacity for intellectual persuasion" (OECD, 1985, p. 3). Based in Paris, the OECD, in its own words, is a unique forum permitting the governments of the industrialized democracies to study and formulate the best policies possible in all economic and social spheres (OECD, 2005).

After 1961 Conference on Economic Growth and Investment in Education, held in Washington, D.C., education became one of the foci of the OECD's activities. The Conference stood out as a landmark in the OECD's involvement in education and set the agenda for much of the work that followed. Through its involvement in comparative educational statistics, educational policy reviews, conferences and publications, the agency soon took a leading role in establishing the concepts, techniques and mechanisms for educational planning and broader policies (Papadopoulos, 1994).

In the sphere of education, the OECD offers general directions and specific recommendations to address key issues of access; quality and standards in teaching at all levels;

new directions to diversify and deliver tertiary education; the quality of research in academic and research establishments; and reforms in the governance, management and financing of teaching and research (OECD, 2005). Reviews of national policies of education are also a major part of the work that the organization has carried out in Central and Eastern Europe, Latin America, China, and Africa. Reviews usually focus on the role of education in the economic development of a given country, as well as on examining the existing education system and the analyzing its economic, social, and political impact. The review team often concludes its reports with a list of recommendations on how to improve education, and establishes a policy direction.

The OECD's activities during the past decade expanded further beyond its 30 member countries, which share a commitment to democratic government and the market economy, to include the countries of the former Socialist bloc. The OECD non-members' unit also maintains close relations and undertakes joint activities with other international organizations and leading NGOs (e.g., the World Bank and the European Training Foundation). The OECD's Directorate for Education considers education reforms, training, and human resource development as an integral part of the transition to a democratic society and market economy. The Directorate develops strategies for lifelong learning, early childhood education and care, eliminating gaps in access to information and communication, carrying out the transition from education to the workforce, mobilizing resources, and improving the sharing of roles and responsibilities among stakeholders (OECD, 2005).

The OECD - Russia collaboration in education and training began in 1991 with preparations for the 1992 Conference on Education and the Economy in Central and Eastern Europe. According to the OECD (2002), its activities were designed to support the priorities of the Russian government and to mesh with bilateral programs and the programs of other international organizations. Reflecting on the years of its partnership with the Russian Federation, the OECD (2002) considered some valuable lessons learned from its 8-year co-operation. The agency acknowledged that the country could not be transformed by injections of financial resources or by holding policy meetings and consultations. Its transition to a modern market economy and the development of a vibrant civic society could take many years. Russia's historical and social background should be taken into account. The major objective for the co-operation with Russia defined by the OECD was to help the authorities develop a market-based economy supported through an open society. Therefore, the OECD would continue to insist upon commitment to a comprehensive reform. The organization would provide the necessary expert resources to do a comparative analysis, offer a range of workable approaches, and engage Russian officials in the priority areas. It would also assist donors and other participating parties to better focus their co-operation with their Russian counterparts.

OECD's Education Reviews

In the late 1990s, the OECD conducted a series of studies on the Russian education sector in order to assess the situation and to foster the system's long-term development. The team of 30 experts, including former ministers of education and representatives of the World Bank and the European Training Foundation (ETF), worked closely together to produce an in-depth analysis of Russian education and policy since the onset of the economic and social reforms of the 1980s. These studies were reflected in two OECD publications, *Reviews of National Policies for Education: Russian Federation* (1998) and *Tertiary Education and Research in the Russian Federation* (1999). These reports described the most recent trends in schooling and education policy in the country and evaluated the reform initiatives that had been launched since the early 1990s. The 1998 report primarily dealt with general education and examined current education reform initiatives and the problems associated with the transition period and suggested how to consolidate the ongoing reforms.

The second review, *Tertiary Education and Research in the Russian Federation* (1999), provided a broad-based analysis of Russian tertiary education, as well as of the challenges and pressures brought about by economic, social and political developments in the country. The report addressed the issues of access, quality and standards in teaching, the quality of research in academic and research institutions, and reforms in the governance, management and financing of research and teaching. The review team offered a set of general directions and specific recommendations to overcome existing problems and to ensure sustainable development of the higher education sector in Russia. A detailed overview of this report is provided in Appendix D.

Major Themes

At the end of the Cold War, the World Bank, the IMF and the OECD extended their operations to the Russian Federation, whose status changed from being "an industrialized country" to being a recently coined "economy in transition." Since the beginning of the Russia's transformation from the centrally planned and controlled economy to a market-oriented one, these international agencies have been involved in many aspects of the country's reform. Although distinctly different in their goals and modi operandi, the World Bank, the IMF and the OECD have similar policy agendas. As the most influential global players, with substantial economic and symbolic capital, these agencies work primarily with governments, and, thus, have a direct access to national policymaking through a variety of venues, but essentially these agencies loan their money and "brains." Their policy-bound loans, insistence on structural adjustments, expert advice and training have had a profound effect on the macroeconomic situation in the Russian Federation. These macroeconomic and political shifts are necessarily reflected in Russia's educational policies, which have been rewritten during the past two decades to match the needs of the emerging market economy and to satisfy the demands of international agencies.

The analysis of the mission statements and policy documents of the World Bank, the IMF, and the OECD pointed to a number of common themes running through their policies, reviews, and recommendations. These themes centered on economic globalization, which required countries to adjust their policy priorities, so that they could successfully compete in the global market. In the new global economic order, competitiveness, knowledge production, internationalization, and lifelong learning became essential defining factors that would drive nations' economic growth and development. The role of education would become even more influential in the construction of knowledge economies and democratic societies (World Bank, 2002).

The main all-encompassing theme was the assumption that globalization was a force reorganizing the world economy, which would be increasingly based on knowledge and information technologies. As a result, the World Bank, the IMF, and the OECD brought the ideology of globalization to center stage. The macroeconomic and educational policies promoted by these agencies cannot be understood without referring to their philosophical positions, which necessarily inform their policies. The agencies often stressed that the pressures of globalization forced nation-states to adopt measures that would ensure their success in the global economy. “Success,” therefore, would be defined as the ability to compete in the global market. An individual country’s competitiveness was closely linked to its education systems. For example, one of the main messages of the World Bank to the economies in transition was that they had to put in place an enabling framework that would encourage tertiary education institutions to be more innovative and more responsive than they were currently to the needs of a globally competitive knowledge economy, and also to capitalize on the creation and use of knowledge.

> Social and economic progress is achieved principally through the advancement and application of knowledge. Tertiary education is necessary for the effective creation, dissemination, and application of knowledge for building technical and professional capacity. Developing and transition economies are at risk to be further marginalized in a highly competitive world economy because their tertiary education systems are not adequately prepared to capitalize on the creation and use of knowledge. (World Bank, 2002, p. xix)

According to the World Bank (2002) tertiary education institutions would be critical in supporting knowledge-driven economic growth strategies and the construction of democratic, socially cohesive societies. Similarly, the OECD noted that,

> Higher education has a dual mandate: on the one hand it should promote democracy, tolerance and social cohesion: on the other it fuels economic development through the creation of knowledge and skills. Reformed higher education should be a partnership between three key pillars: the state, (guaranteeing access to all), the social partners, and the knowledge-based economy and society. (OECD, 2006a, p. 2)

The investment in education should primarily have its payoffs in the economy. Universities should prepare brainpower to drive the new economy. The government should reform the education system to build up a country's capacity for participation in an increasingly knowledge-based economy. "Governments have to make sure that the challenges are met quickly, since the knowledge-based economy relies heavily on higher education for its raw material of human capital" (Ischinger, 2006, p. 1). When tertiary education is regarded as an essential part of the national economy, applying market-driven mechanisms to ensure education's efficiency and responsiveness to the needs of the labor market is only logical. Thus, one of the major objectives of educational reform should be to install market mechanisms. Already, the advent of the market globalization had transformed citizens into consumers and clients, and universities into providers.

> Institutions of higher education everywhere are increasingly encouraged – if not obliged – to draw a higher proportion of their resources from non-state funds. Just as the health system and pension funds can no longer be solely funded with public money, university "consumers" will increasingly be asked for a financial contribution. (World Bank, 2002, p. 1)

Education would be vital in the constantly changing global environment; "those who can compete best (with literacy, numeracy, and more advanced skills) have an enormous advantage in this faster paced world economy over their less well prepared counterparts" (p. 1). "Competition" became the word of the day. Increased competition should translate into responsiveness, flexibility, innovation, as well as into greater diversity of programs, efficiency and improved quality of educational outcomes. "In the hypercompetitive global market economy, knowledge is rapidly replacing raw material and labor as the input most critical for survival and success" (World Bank, 2002, p. 2). Public higher education should become cost-efficient, measurable, and responsive to the needs of economy.

In assessing the situation in Russian higher education, the World Bank and the OECD cited internal and external inefficiency as a major problem affecting the sector. "Internal efficiency" is usually used to refer to student progress and teacher-student ratios, which are commonly summed up in the unit cost per student. "External efficiency" pertains to the relationship between schooling and the labor market. In the policy documents analyzed in this study, the inefficiency of the Russian educational sector was consistently cited in connection with the old centrally-planned economy and Communist ideology. For example, the World Bank (1994) stated that in Central and Eastern Europe, the higher education was deliberately fragmented under socialist regimes for reasons of political control and "the separation of scientific research from advanced scientific training was a major obstacle to their ability to contribute to the economy" (p. 22). Management inefficiencies also drained scares resources away from the fundamental objectives of increasing access, quality, and relevance. "Examples of such inefficiencies include underutilized facilities, duplicative program offerings, low student-staff ratios, high dropout and repetition rates, uneconomical procurement procedures, and allocation of a large share of the budget to noneducational expenditure" (World Bank, 2002, p. 51).

The OECD (1999) listed a number of issues that contributed to inefficiency of higher education in Russia,

> The Russian tertiary education system remains highly specialized, fragmented and bound by traditions of governance and pedagogy (e.g., staff-student ratios and traditions of oral examinations) that simply cannot be sustained in the current and foreseeable economic conditions. ... Over-specialization and rigidities of course provision impeded responsiveness to economic and employment needs. Attachment to long-duration courses and styles of teaching which do not sufficiently emphasize self-reliant, independent and reflective work by students impede efficiency. (p. 13)

As well, subsidies and non-educational expenditures (e.g., subsidized student housing) reinforced these inefficiencies.

> In many Central and Eastern European countries, for instance, per-student public expenditures are no more than 10 to 25 percent of the OECD average, but in relation to per capita GDP they are significantly higher than in OECD countries, implying a high degree of inefficiency in resource utilization. (World Bank, 2002, p. 51)

Installing the new-order economic relations in the old public sector could increase efficiency, which became an important goal of educational policies promoted by the international agencies. In a globally competitive knowledge economy, reliance on the old education system could lead only to failure, as countries would not be prepared to capitalize on the production and use of knowledge. The repeated references to "the old" and "the new" and "winners" and "losers," woven into the policy texts, created a sense of urgency about the need to modernize the education system by introducing "the new" and, therefore, "better" mechanisms of administration and finance.

The application of the market mechanisms in higher education was viewed as a "good" policy direction.

> New approaches to governance in OECD countries combine the authority of the State and the power of markets in new ways. … Accountability, transparency, efficiency and effectiveness, responsiveness and forward vision are now considered as the principal components of good public governance, which universities are and will increasingly be asked to implement. (OECD, 2006b, p. 1)

The experience of the OECD countries showed that the problems arising in the sector could be successfully addressed by raising nonpublic resources. New financing strategies were put in place in many OECD countries to generate business income from institutional assets, to mobilize additional resources from students and their families, and to encourage donations from third-party contributors. Moreover, the OECD countries made provisions for tertiary education more demand-driven and implemented formula funding. Using the experience of the OECD countries, the international agencies came up with a list of specific recommendations on how to improve Russian higher education.

Recommendations and Policy Directions

In their mission statements, the World Bank, the IMF, and the OECD mentioned that they consider themselves not only financial or statistical institutions, but rather "policy dialogue facilitator[s]," "knowledge bank[s]," and providers of "technical assistance." For example, the OECD (1998b) described itself as "a forum for objective, skilled and independent dialogue which allows the broad understanding and in-depth comprehension required to deal with problems posed by an increasingly complex world" (p. 2). The World Bank (1999) continued its "quest to become a 'knowledge bank'" (p. 26). One of the IMF's objectives is to provide technical assistance and training – mostly free of charge – to help member countries strengthen their capacity to design and implement effective policies" (2006, p. 2).

In adopting these roles, the agencies advised the Russian government on how to address the problems identified in their reviews, studies, and evaluations. "Promising" policy solutions and recommendations were an integral part of the policies examined in this chapter. These recommendations and policy directions can be divided into two categories: general and specific recommendations.

General Recommendations

The agencies' general recommendations centered primarily on the implementation of new models of organization and operation for the higher education sector. Russia would have to address the issues of funding, flexibility, access, and efficiency. Funding for higher education should become more demand-driven and should be based on economic and social rationales. The Russian government should shift financing of higher education to a capitation formula based on explicit financial norms; universities should spend resources more efficiently, and user charges should be introduced. The OECD (1999) suggested that the government shift the funding of higher education "to a capitation (per student) formula based on explicit financial norms" (p. 157). According to the World Bank alternative mechanisms, increasingly used by OECD countries, which link funding to performance criteria could also be considered by developing countries and transition economies in order "to create incentives for fiscal efficiency" (2002, p. 91).

In its policy documents, the IMF did not make specific recommendations regarding the higher education sector, as the institution's main mission is to pursue economy-stabilizing policies. However, it raised its concern in regards to the Russian social benefit reforms that were encountering strong opposition, slowing down key reforms in the health and education sectors. To overcome a threat to the country's growth potential and macroeconomic stability, the government should overcome these pressures by (a) strictly following its long-term reform agenda, and (b) resisting political and social demands to use oil revenues to raise wages and social transfers (IMF, 2005). Although the IMF recognized the adverse impact of the reduction of social sector expenditures, this reduction was perceived as inevitable because of the decline in the GDP since the beginning of the transformation. The Fund warned the government that an increase in wages and social benefits should not be considered before the country's economy reached accelerated economic growth and sustainability.

Regarding the state's responsibilities, the World Bank (1994; 2000; 2002), for example, consistently argued that the state's involvement in tertiary education would be justified by three important considerations: (a) the existence of external benefits from tertiary education (benefits to society); (b) the equity issue; and (c) the supportive role of the tertiary sector in the education system as a whole.

> Investments in tertiary education generate external benefits essential for economic and social development. These benefits, including long-tern returns from basic research and technology development and the social gains accruing from the construction of more cohesive societies, transcend the private benefits captures by individuals.
> Capital markets are characterized by imperfections and information asymmetries that constrain the ability of individuals to borrow adequately for education. These imperfections have adverse equity and efficiency consequences, undermining the participation of academically qualified but economically disadvantaged groups in tertiary education.
> Tertiary education plays a key role in support of basic and secondary education, buttressing the economic externalities produced by lower levels of education. (World Bank, 2002, p. 76)

Therefore, the government should be responsible for developing an enabling framework that would encourage higher education to be more innovative and responsive to the needs of the globally competitive knowledge economy. Other regulatory considerations should be the development of quality assurance mechanisms (evaluation, national examinations, institution ranking, accreditation, and publication of information), financial controls to which public institutions should conform, and intellectual property rights legislation.

Specific Recommendations

The OECD and the World Bank made specific recommendations for higher education reforms, while the IMF referred only to the general social sector policies. The analysis of the policy documents of the World Bank and the OECD revealed similar approaches to addressing the problems in Russian higher education. However, the list of the OECD's recommendations was more comprehensive and detailed, as it was a result of the in-depth study of higher education undertaken by the expert team. The OECD's (1999) recommendations included, but were not limited, to seven key areas of concern, ranging from sector financing to improving access to higher education.

The first set of recommendations dealt with reducing inappropriate barriers at the secondary/ tertiary interface in order to establish a more equitable and efficient process for the transition from secondary to tertiary education. Specifically, the OECD stated that the Ministry of Education should design and implement a competitive entrance examination system that would be equitable and transparent.

> The ministry should continue to work towards a national infrastructure (a national agency or service, supported, as appropriate, by regional assessment bodies) to deliver exams that are comparable, valid, reliable, affordable, and transparent. …
> The national examination should include the strengths of the existing system, e.g., the oral tradition in testing, and the trust in the judgement of experienced teachers; but for distance learners, greater reliance should be placed on written or interactive computer-based testing to minimise the burden of travelling for exams.
> The new national system should be a fair competition for all places – whether state funded or not. (OECD, 1999, p. 36)

The second set of recommendations concerned rationalizing higher professional education. This would encourage the education system to be responsive, responsible, accessible, efficient, innovative, collaborative and accountable to the public and government. The responsiveness of institutions to students' interests and employers' demands should be increased through the use of a mixed public and private financing scheme, and the introduction of new courses reflecting student interests. Similarly, the World Bank (1994) stated that,

> In the context of economic growth strategies based on technological innovation, it is critically important that institutions responsible for advanced training and research programs be guided by representatives from the productive sector. The participation of private sector representatives on the governing boards of public and private higher education institutions can help ensure the relevance of academic programs. (p. 11)

The third group of recommendations included establishing a more consistent promotion of quality and standards of programs of study and higher education research at the federal, regional, and institutional levels, which were jeopardized by "drastic reduction in public funding" (World Bank, 2002, p. 58). According to the Bank (1999), "educational 'quality' for centrally planned economies and closed societies is not 'quality' for market economies and open societies. The sector squandered inputs: space, labor, energy" (p. 75).

The State Standards should be revised by shifting from input to output measures of learning and employability. By revising the former input-based approach, the evaluators would be able "to concentrate more on outcomes (students achievement) in terms of students marketable competencies and skills, and less on input (compulsory content) and process (duration of courses, hours per week)" (OECD, 1999, p. 72). Additionally, the OECD suggested that the Russian Federation government sign and formally ratify the Lisbon Recognition Convention.

Specific government measures should be implemented in order to stimulate research and development activities in higher education institutions. "A target of 15 to 16 % of total federal expenditure on R&D for the universities should be reached within the next three to four years" (OECD, 1999, p. 168). At the regional level, steps should be taken to improve the interaction between the business sector and higher education institutions. At the institutional level, higher education institutions would need to strengthen their applied research and innovation capacity and to promote greater integration between universities and leading research institutions.

> The teaching load of university teachers should be determined by the higher education institutions and should be at the average level in an international context. A drastic, radical look needs to be taken at course structure and content in order to reduce teaching loads and "liberate" time for research and independent work. (p. 125)

The fourth area identified by the OECD and the World Bank dealt with improving conditions for students and teachers. For example, the OECD (1999) commented that tuition fees should be extended on a gradual basis and that planning should be undertaken for the introduction of "a state-backed student-loan scheme" (OECD, 1999, p. 169). Similarly, the World Bank (2002) argued that "the introduction of tuition fees without accompanying student financial aid mechanisms has had a negative effect on equity" (p. 75). Thus, the existing pressures would require that sensitive socio-political issues be addressed and new policies reflective of realities put in place (OECD, 1999).

Additionally, the government should alleviate the plight of academic staff, protect the status and attractiveness of the academic profession, and significantly improve salary scales.

> It is quite essential to restore the high prestige of the academic profession. Significant increases in the salary scales for academic staff are needed. In view of the expected narrowing of the front of activities in the R&D sector, the salary increases can, very possibly, be achieved without much extra funding at federal level. A fixed portion of an institution's non-state earnings should go into a salary fund. (p. 137)

The fifth set of recommendations pertained to placing higher education activities on a secure and rational system of financing. Financial reforms in the Russian Federation would require more funds for higher education, increased reallocation of funds within the education sector, and more efficient utilization of the available funds.. The first, however, may not be economically probable in the short run (OECD, 1999).

> The goal of the capitation or norm financing scheme is to make the institutions more responsive to both social and student interests while allowing the institutions to have a more transparent and even predictable base for its budget planning … A dramatic benefit of the norm financing is that it provides strong encouragement to increase student/teacher staff ratios which are now among the lowest in the world (and partly responsible for the low level of salaries paid to faculty). (p. 157)

Centrally generated funds for education should be supplemented with local taxes, formal user changes and entrepreneurial activities (World Bank, 2000). "Politically, it is probably prudent to increase user charges for universities gradually, with the schedule of increases announced well in advance" (p. 51). Entrepreneurship should also contribute to educational outcomes. Universities could provide short or specialized teaching services for working adult students; use their assets to generate extra revenues; sell education- and research-related products, such as books, inventions, and farm products; and sell consultant services and applied contract research. In addition, noneducational services (e.g., dormitories, cafeteria, and health care) should be privatized (p. 53).

These financial policy strategies would be essential for the viable and successful future of the higher education system. The internal support for its own tradition and respect for higher education, and the assistance of international partners would help the Russian Federation to reshape its higher education system to serve the Russian people effectively.

The recommendations and policy solutions provided by the World Bank, the IMF, and the OECD are consistent with the overall policy framework promoted by these international agencies. Their policies converged around the issues of economic globalization, human capital development, marketization, rationalization, flexibility, and efficiency. However, each agency defined its priorities based on its mandate and specific activities in the Russian Federation.

For example, the IMF's policy priority was to ensure a stable economic environment through intensive structural reforms. Although the IMF acknowledged that the education sector had been starved of funds in the budget and that the adverse impact on living standards of the deterioration of the social sector had been greater than it needed to have been, the agency still insisted that the pace of fiscal relaxation should be reconsidered. In other words, the Russian government should continue its policy of tightening spending on social programs (IMF, 2005). This advice contradicted some of the OECD's (1999) recommendations, which specifically stated that more federal funding would be required for the higher education sector as well as research and development. At the same time, the OECD (1999) and the World Bank (1994; 2000; 2002) continued to advocate for increased cost-sharing and private investments as the most practical solution of the financial problems of higher education in Russia.

Nevertheless, more similarities than differences were observable in the policies analyzed in this chapter. These similarities were evident not only in the underlying philosophical principles expressed in the mission statements of the World Bank, the IMF, and the OECD, but also in the discourse used throughout their policy documents.

Characteristics of Policy Discourse

Currently, the global agencies can use their websites and on-line publications to quickly spread their policies around the world. Anyone with access to the Internet can find and read them, so that policy texts are becoming an increasingly more important vehicle through which the international agencies distribute their ideas. Spreading "the lessons of experience" among nations, the World Bank, the IMF, and the OECD set the context for the restructuring of relations between the state and the market, the state and the individual, and the individual and the market. Their policies establish new structural relations between economic and non-economic domains, and increasingly the latter is becoming subordinate to the former. The policies of international agencies are commonly framed in terms of the human capital theory, cost-benefit analysis, competition, and marketization concepts, which now dominate the discourse on education and modernization and development.

The policies, thematic reviews, and published speeches of the World Bank, the IMF, and the OECD are an excellent example of how policy documents create contexts as well as respond to them. Global agencies' policy documents often start by explaining that changes in the global economy are affecting countries' economies and societies. For example, the World Bank (1999) opened its discussion of its education sector strategy with a chapter on education in a world that is "undergoing changes that make it much more difficult to thrive without the skills and tools that a high quality education provides" (p. 1):

> As the 21st century opens, tertiary education is facing unprecedented challenges, arising from the convergent impact of globalization, the increasing importance of knowledge as a principal driver of growth, and the information and communication revolution.... In response to these momentous and converging trends in the environment, a number of countries have undertaken significant transformation of their tertiary education systems... (p. 2)

The OECD's 1999 review set the context for the changes in higher education by noting that regardless of the specific national context, nation-states were faced with the common challenge of how to ensure that the increasingly market-driven systems respond to societal needs and public priorities:

> Many nation-states, especially large, highly diverse federations, face the problem of how to maintain, if not gain the attention of increasingly market-driven, fragmented tertiary education enterprise to state priorities. This challenge is especially serious for those nation-states that are stuck between the old and new policy worlds. (OECD, 1999, p.16)

Democratization, market economies, globalization, technological innovation, and changing private/public roles were cited as the drivers of change. Such a representation of change in the global economy makes change an inevitable and compelling phenomenon, to which everybody has to adapt. To make its point and to convince those who still do not understand the importance of change, the World Bank creatively used Charles Darwin's famous statement, "it is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change," by applying it not to a natural but to a global economic environment (as cited in World Bank, 2002, p. 2).

The agency also assumed that the change would necessarily lead to dropping "the old" order and adopting "the new." The changed "rules of the game" would require restructuring and modernizing education if nations wanted to be successful in "an increasingly knowledge-based economy." Presented as a given, "the new economic order" requires nation-states to create conditions for successful competition in the global economy. Higher education is assigned a special role in the new economic order. Unless reforms are implemented to improve the performance of higher education, many countries are destined to enter the twenty-first century "insufficiently prepared to compete in the global economy, where growth will be based ever more heavily on technical and scientific knowledge" (World Bank, 1994, p. 25). In the World Bank, the OECD, and the IMF policy texts, globalization is presented as if it were an unquestionable reality that will eventually lead to economic growth and prosperity. Based on this proposition, the role of governments will be to create legal-normative, financial, human capital, and other conditions to ensure a success in a competitive "new global economy," which will undoubtedly result in economic progress, prosperity, and democracy.

Describing the problems of Russian higher education, the international agencies often argued that most of the deficiencies in the country's higher education sector stemmed from Russia's Communist past and ideological policies. Examples of that ideological past included the deliberate fragmentation of educational institutions, the separation of teaching and research, the ineffective use of resources, and the low student-teacher ratio (World Bank, 1994). The Soviet education policies were associated with "the old order" systems, which were a good fit with planned economies and authoritarian political states.

> International evidence shows that they [education systems] are not creating the best product for a market economy. Market economies – and open societies – require abilities to apply knowledge flexibly, to cope with the cognitive requirements of unfamiliar tasks, to recognize and resolve problems, and to self-manage new learning. The content and structures of curricula and textbooks and prevailing teaching practices in ECA [Europe and Central Asia] do not seem to support the acquisition of these skills. (World Bank, 2000, p. 2)

The World Bank and the OECD presented "the old world" higher education system and its administration as being centrally planned, bureaucratic, slow, inflexible, and inefficient.

> The old world was in which the state was able to fund and control most of the universities through traditional ministries and centralized policies. The new world is one in which the state is a decreasingly influential source of funding. (OECD, 1999, p. 16)

As market forces "are spotlighting the inefficiencies and fiscal sustainability" of the Russian education system, the old world policies become unacceptable for modern societies; their education systems must respond to the new economic and civic imperatives of emerging markets and open societies (World Bank, 2000, p. 14).

"The new order" higher education should reflect the demands of a global market and knowledge-based economy. The role of the higher education system is to prepare specialists able to function in the ever-changing global economy, and to equip "the individuals with the advanced knowledge and skills required for positions of responsibility in government, business, and the professions" (World Bank, 2000, p. 1). Higher education plays an essential role in establishing and preserving the free market economy.

Thus, the emerging global economy is a site of a struggle between "the old," and "the new" policy worlds. While applying the notion of "the old" to the Russian education system, the agencies commonly suggested that it had been ideologically tainted, stagnant, inefficient, and not able to provide the graduates with necessary skills. "The new" system, emerging through the market-driven reforms, will be of superior quality, efficient, more accessible, globally competitive, and will equip the graduate with necessary skills.

Besides the references to the old and the new order, the World Bank, the IMF and the OECD publications focused on economic globalization and the liberalization of the world trade. Being promoters and supporters of an entirely positive view of globalization and the free market, the organizations devised strategies that would bring potential benefits for education and economies. Their policies stressed the need to reform educational systems to ensure that nation-states could receive the full benefits offered by globalization and the free market in the future. The World Bank and the OECD consistently stated that in the new millennium, education would become ever more important for the national and global economy by influencing the well-being of individuals, communities, and nations.

In a globalized competitive economy, reform systems (such as the system in Russia) are especially "under strong threat and, in some contexts, subject to future collapse" (World Bank, 1999, p. 15). Phrasing their concern in terms of "strong threat" and "future collapse," the World

Bank established the context and urgency for the educational restructuring in Russia and reform systems in other countries. In their policy texts, the World Bank and the OECD often alluded to potential "winners" and "losers." In the era of global economy, nations' success would depend on how they approached global challenges. For example, the World Bank (1999) posed that countries that responded astutely should experience extraordinary progress in education, with major social and economic benefits. In contrast, the World Bank warned, "countries that fail to recognize and respond risk stagnation and even slipping backwards, widening social and economic gaps and sowing the seeds of unrest" (p. 1). After setting the context for the educational restructuring, the World Bank and the OECD offered their solutions on how to effectively resolve the challenges posed by globalization and to avoid becoming "a loser."

Described as an "economy in transition," Russia was also considered "at risk" of being further marginalized in a highly competitive global economy because Russia's tertiary system was not adequately prepared to capitalize on the creation and use of knowledge (World Bank, 1999). The OECD team expressed a similar concern about the state of Russian higher education, suggesting that the current situation in higher education urgently required rapid measures to save it.

> The problem is neither in level of knowledge about the needed reforms nor in the commitment to change. The problem is in the lack of capacity – leadership structures, political will and financing – to give direction and urgency to change. As a result, change is happening but largely by default and neglect. The dominant paths lead to deterioration, fragmentation and exclusion – directions that would be disastrous for the long-term future of Russian tertiary education and the Russian Federation as a nation. (OECD, 1999, p. 18)

This grim assessment resonated with the World Bank's emphatic prologue asserting that education would "determine who has the keys to the treasures the world can furnish. … The stakes are high. The choices that countries make today about education could lead to sharply divergent outcomes in the decades ahead" (World Bank, 1999, p. 1).

According to the OECD (1999), the change in higher education policy in most industrialized countries was in the form of a movement away from the centralized state control and university financing toward greater decentralization, devolution, and diversification of providers and sources of financing: "The shift has been decidedly towards reliance upon market influences in higher education policy" (p. 15). The education process is consistently equated with the production process. Universities must become providers of teaching and research to clients and consumers, i.e., students, employers, industry, and governments. If previously, states primarily focused on the supply, not the demand side of education, now they are shifting "decidedly toward the demand side, that is, on the increasing role of clients (students and other social partners)" (p. 16). Thus, governments should create the conditions (financial, fiscal and legal among others) for successful competition in the new globalized economy.

As the knowledge-based economy depends on people (human capital) as its resource, universities are among the most important engines of the knowledge-economy because they are involved in creating human capital. Well-trained "brainpower" will ensure both the survival and success of a nation. In the knowledge-based economy, intellectual capital is a prized possession, which requires investments. Treating education as the production of human capital and other public goods, the international agencies offered solutions on how to increase the efficiency of the education sector. The introduction of market mechanisms into higher education was presented as the most desirable approach. "Increased competition," "responsiveness to the market demands," and "flexibility" were among preferred solutions advocated by the World Bank, the IMF, and the OECD.

Another common discourse feature of the policy texts was an axiomatic statement that the development of the market economy and human capital would be central to a country's capacity to establish a democracy. In the policy documents of the OECD and the World Bank, the market economy and democracy were often cited together, as if the former were a prerequisite for the latter. The free market was associated with the democratization process in society. For example, the OECD (1999) noted that Russian higher education was still in the early stages of transition from a state-driven structure to one in which democratic and market requirements would be more predominant:

> It is particularly important to the Russian Federation that these entrepreneurial activities ultimately serve critical public purposes such as ensuring equity in access, enhancing the population's knowledge and skills so that it can function and compete in a democracy and a market-driven global economy. (OECD, 1999, p. 157)

Thus, the OECD (1999) confirmed that the new market-oriented higher education system would be necessary for the future development of a democratic society in Russia, which would have been impossible to achieve with the Soviet state-driven and non-market-oriented higher education.

The analysis of selected policy texts discussed in this chapter pointed to many similarities in the publications of the World Bank, the OECD, and the IMF. For instance, these organizations generally presented globalization and change as axiomatic and happening universally in time and space. Whatever the specific national context, nation-states were facing common challenges and, therefore, should address them by applying market mechanisms in their educational restructuring. All three agencies are strong advocates of free markets and economic globalization:

> The last decade of the 20th century saw significant changes in the global environment that, in one way or another, bear heavily on the role, function, shape, and mode of operation of tertiary education systems all over the world, including those in developing and transition countries. … Among the most influential changes are the increasing importance of knowledge as a driver of growth in the context of the global economy, the information and communication revolution, the emergence of worldwide labor market, and global sociopolitical transformations. (World Bank, 2002, p. 7)

The common discourse used by the World Bank, the OECD, and the IMF is related to free markets and economic globalization. Concepts of "efficiency," "consumer," "accountability," "knowledge-based economy," "outputs," "productivity," "cost recovery" run through their policy texts. Central to their discourse is the neo-liberal ideology characterized by specific conceptions of the role of the state and market, provisions of public services, and individual interests. According to the World Bank (2002) the scope of state intervention diminished in financing as well as provision.

> Given the severe fiscal and budgetary constraints affecting governments' capacity to sustain past levels of direct provision and financing of tertiary education, as well as the rise of market forces at both national and international levels, the purpose, scope, and modalities of public intervention are changing in significant ways. (World Bank, 2002, p. 83)

In all policy texts presented in this chapter, globalization appeared as a given reality that must affect the making of educational policy. The common assumption was that macro and micro-economic problems could be solved only through the application of rationally designed and properly implemented policies.

Summary

The analysis of the main themes, recommendations, and policy discourse of the World Bank, the IMF, and the OECD showed that these organizations have similar policy perspectives. The main themes expressed in the policies and recommendations of the global actors reflect their fundamental belief in free trade, self-interested "choosers," and rational solutions to social and economic problems. Presented as truisms, the philosophical stances expressed in the policy texts of the World Bank, the OECD, and the IMF are shared with nation-states through publications and adjustment programs.

Despite the clear differences in their mandates, the World Bank, the IMF, and the OECD policies converge around the issues of globalization, free market, market forces, demand and supply, quality, diversity, flexibility, accountability, and equity. Some representative terms found in their policy documents are borrowed from economics. For example, "accountability," "demand-driven financing," "user charges," "efficiency," "checks and balances," "competition," "managing the portfolio," "resources," and "capital," are omnipresent in policy texts. The education process is often equated with the production process. Universities play a catalytic role in helping countries rise to the challenges of the knowledge economy and contribute to "human capital formation by training a qualified and adaptable labor force" (World Bank, 2002, p. 24). "Quality" control and "accountability" are applied to higher education to measure its "efficiency." The emerging global economy is the sight of the battle between the "old world" and the "new world," in which "knowledge" is produced, circulated and sold. "Knowledge-based economy," "social change," and "flexibility" are presented as unavoidable features of contemporary economies, which require new public policy approaches. Government can no longer sustain past levels of "direct provisions and financing of tertiary education" (World Bank, 2002, p. 83). It should reconsider its role of a "provider" and become "a referee mediating between opposing forces of supply and demand" (OECD, 1999, p. 16).

In their contemporary education policies, the World Bank and the OECD have popularized the specific economistic discourse which is typically used by the IMF and other financial institutions. The policy texts of these supranational agencies help to clarify their philosophical frameworks and dominant discourses. Understanding them is particularly important since the 1990s witnessed a remarkably consistent worldwide reform agenda for the financing and managing universities and other higher education institutions (Johnstone et al., 1998). Strikingly similar policy patterns emerged in countries with dissimilar political-economic systems and traditions in higher education: "Underlying the market orientation of tertiary education is the ascendance, almost worldwide, of market capitalism and the principles of neo-liberal economics" (p. 3).

The analysis of the policy documents of these international organizations was essential to explain the processes taking place in the education policy-making in modern-day Russia. The policy frameworks and discourse of the World Bank, the IMF and the OECD set the background for the following discussion of the current education policy in the Russian Federation.

CHAPTER 6

ANALYSIS OF RHETORICAL AND ENACTED EDUCATION POLICIES OF THE RUSSIAN GOVERNMENT SINCE THE 1990S

The purpose of this chapter is to analyze the official statutes related to the higher education policies adopted under the administrations of President Boris Yeltsin (1992 - 1999) and President Vladimir Putin (1999 - current). Many education-related documents have been ratified during the past two decades, but not all of them could be discussed in depth. Therefore, for this study, statutes were chosen based on their significance for the administration of the Russian education system. The first two documents, *the Law on Education* and *the Federal Law on Higher and Postgraduate Professional Education*, determine the legal framework for general and higher education in the Russian Federation. During the past decade, however, these laws have been amended to address the social and economic changes in the country. Additional amendments are to be expected in the near future, as the government intends to correct the existing discrepancies between the present legislation and the strategy for the intensive development of the education system by 2010 (Government of the Russian Federation, 2005). Both these laws on education, Putin's policy documents, and specific amendments pertaining to higher education are the focus of this chapter.

The following research sub-questions frame the discussion of this chapter:

1. What are the key policy issues expressed in the *Law on Education* (1992) and the *Law on Higher and Postgraduate Professional Education* (1996)?
2. What are the key policy issues expressed in the recently enacted and rhetorical policies of the Putin government?
3. How are these later policies different from or similar to the policies set out by the World Bank and the OECD in their documents?
4. How, if at all, is the policy discourse of the global actors reflected in the current Russian higher education policies?

Rhetorical and Enacted Educational Policies of the 1990s

In this section, the two major laws regarding education adopted by Yeltsin's administration during the 1990s and their implications for the development of higher education in post-Soviet Russia are discussed. These laws are particularly important in the discussion of the policies that were adopted by the Putin administration because they establish the background against which the latter are analyzed. Moreover, although adopted in the early and mid-1990s, both education laws continue to govern Russian general and higher education sectors.

As was discussed in the earlier chapter on the evolution of higher education in Russia, the history of this country presented many examples showing that a transition to a new stage of its development was commonly accompanied by changes in the state education policy. Naturally, the events following perestroika and the beginning of the transition period influenced the formulation of educational policies in the Russian Federation. Social and economic reconstruction in the country also had a significant impact on its educational system. The principal features of Russian higher educational policies were projected in the 1990s through various government documents as well as official public statements.

The reformist platform that emerged between 1988 and 1990 emphasized the decentralization, differentiation, democratization, and humanization of education in Russia (Bain, 2001). The radical reformer Edward Dneprov, who was Boris Yeltsin's first Minister of Education (1990-1992), and his fellow reformers pursued a three-stage agenda of the education reform: conceptualization, legislation, and implementation. Dneprov's expressed principles included democratization, destatisation, the creation of alternative educational structures parallel to the existing ones, depolarization, acceleration, lifelong education, and placing an emphasis upon the developmental aspect of education. The formulation of these principles, according to Dneprov (1993), arose from the conviction that the previous Soviet system was rigidly conservative, too strictly centrally controlled, highly politicized, slow in responding to new challenges, and lacking greater diversity, openness and freedom of choice.

Completing the conceptualization stage by 1990, the reformers drafted a foundational law on education that was adopted in 1992. This was the first education law formulated specifically for the Russian Federation, which became a separate country after the demise of the USSR. The authors of the education policy did not expect every article of the law to be implemented immediately. They hoped that the law would serve as a cornerstone for a profound transformation of attitudes and practices in education in the long run (Bucur & Eklof, 2003).

Education Laws

The principal features of the educational policy of the Russian State were expressed in the *Law of the Russian Federation on Education* (1992), which established the framework for future education development in the country. The Law was a comprehensive document dealing with a wide variety of issues including the role of education in the modern Russian society, state policy in education, issues of funding, state educational standards, and the economics of the education system. The document consisted of six chapters covering government policy in education (including pre-school and higher and graduate education), description of the Russian education system, its administration and financing, guarantees to access to all levels of education, and international partnership in education. The law was to reflect the general trends in the development of the society entering the transition period.

In August of 1996, the federal government adopted and President Yeltsin signed the *Federal Law on Higher and Postgraduate Professional Education*, an elaborate framework for the reform of the higher education sector in Russia. This law was a result of several years of work and represented an outline for improving and developing higher and post-graduate education. Specific provisions were made concerning the structural reorganization of higher education in order to make it more flexible, diversified and decentralized. Some of the most significant developments stipulated in both documents were the establishment of non-state higher educational institutions (HEIs), introduction of a multi-level system of higher education (e.g., bachelor, diploma specialist, and master programs), creation of new academic programs, and changes in administration and management of higher educational institutions. The authorities proclaimed that improvement of general and higher and postgraduate education was the state's priority. In the documents, the government stressed the importance of entering the global cultural and educational space and receiving the necessary legal basis for international recognition of Russian educational qualifications. The introduction of the new instructional programs and bachelor and master degrees were expected to align the Russian education system with those in the West.

In the 1990s, several critical political and economic events had a profound effect on Russian society. Economic crises, the election of a new government, and the policies that followed determined the implementation of this legislation. A series of amendments were introduced to the educational laws passed since the 1990s. For example, in 2004 the government eliminated a 50 % cap on tuition-paying students in state and municipal educational institutions. Institutions were allowed to admit an unlimited number of fee-paying students to some programs, including economics, jurisprudence, and administration and management.

Educational objectives set by the Russian government in the 1990s policy documents were to reflect the aspirations of the society to establish an education system that would resonate with the changes in the political and social life of Russian society. The OECD expert team (1998a) argued that when viewed cumulatively, these goals showed a new and very different direction from the one that had existed before, in terms of values, processes, and administrative patterns. Specifically, the legislation adopted in the 1990s put more emphasis on the "free personality's self determination," "self-realization," and the "adaptability of the educational system to the levels and specific characteristics of students." These expressions reflected the goals of education rooted in the concept of "humanization" proclaimed by the government during the political transformation of Russian society. The stress on the needs of individuals matched the three educational trends brought by the perestroika – humanitarization (more stress on humanities), humanization, and democratization. This approach to education presented a new philosophy in contrast with the previous Soviet rationalist emphasis on servicing the needs of the economy. For example, the Soviet authorities considered that education was an important factor in establishing the new Soviet order in post-revolution Russia and promoting its economic development, which would eventually lead to the establishment of the Socialist state(s):

> The Soviet state adopted an entirely different attitude, considering education to be a great social, political, economic and cultural factor. Emphasizing the inherent relationship of economic development and education, Lenin pointed out as early as 1918 that the educational and cultural upsurge of the people was a significant factor in speeding up labor productivity which ultimately determined the victory of the new social system. (Yelyutin, 1967, p. 16)

In contrast to the educational policies of the Soviet era, the education laws adopted during the 1990s shifted the rights, career choices, and job placements onto students themselves, in response to the criticism of the previous Soviet higher education, which had not paid adequate attention to the development of personality and treated students as "empty vessels" waiting to be filled with knowledge.

Clearly, the government's goals for education denoted a shift in educational policies in terms of values and administrative approaches, which stressed the role of the individual and the need for a new civic culture. Analyzing Russia's educational policies of the 1990s, the OECD (1998a) stated that the country had done "an admirable job" in a short time in changing its educational course as it sought to move from a traditional to a progressive education system (p. 7).

The two educational laws adopted during the 1990s represented a departure from the previous Soviet educational policy framework. The ideas of democracy, humanization and individuation replaced the hegemonic philosophy of Marxism-Leninism in teaching, learning and research. "The building of Communism" (Yelyutin, 1967) was excluded from the educational agenda of the 1990s. "A humanistic character of education, a priority of universal human values, … [and] respect of human rights and liberty" could be regarded as the major differences between the previous Soviet-type policies and a newly adopted policy framework (Government of the Russian Federation, 1992).

However, many of the policy principles expressed in the 1990s laws were similar to those of the Soviet era. For example, the main tenets of the Soviet education system, dating back to 1967, corresponded to those of the post-Soviet legislation with the exception of the ideological Marxist-Leninist content, which was completely eliminated. For example, in 1967 the government listed the following principles of the Soviet educational system:

1. All citizens have an equal right to education. Education is compulsory for all children and adolescents.
2. Secondary and higher education is accessible to all. Tuition is free.
3. All stages of education and all types of schools (i.e., general, vocational, specialized secondary and higher) form part of a co-ordinated education system.
4. Education and upbringing are linked with practice, useful work and the building of Communism.
5. Consistency of instruction and upbringing.
6. Education is based on science and kept up-to-date to accord with practical needs and growing spiritual requirements.
7. Education is secular.
8. Education today provides both theoretical knowledge and practical training in a trade, thus combining in a single system a knowledge of science and technology that bears directly on the state of society's productive forces and an awareness of the laws governing the structure and progress of society. (Yelyutin, 1967, pp. 17-18)

Soviet universities and other higher educational institutions were state institutions, maintained at state expense. Any citizen under the age of 35 could be admitted to an HEI provided the applicant passed competitive entrance examinations. The system of competitive examinations allowed the most capable and well-prepared applicants to be selected. Students enjoyed many social benefits (e.g., health and vacation travel) covered by the state:

> Higher education is accessible because it is free. Students pay no fees for lectures, laboratories, practical work, examinations or the use of the library. They have free use of textbooks, study aids and literature of all kinds. The same [applies] to sport facilities and gear. Student canteens and hostels operate below cost, part of the expenses being borne by the college. (Yelyutin, 1967, p. 38)

The list of social provisions guaranteed to undergraduate and graduate students by the post-Soviet government in the 1990s laws was almost identical to the one declared in the 1967 document. Thus, one could argue that although distinctly different in terms of expressed values and language, the Soviet and post-Soviet policy documents had much in common. This commonality was especially evident in the policies regarding social provisions for students and federal funding. During the 1990s, the state continued to play a significant role in welfare provision for education.

Continuing Reforms in the New Millennium

With the worsening economic and social conditions in Russia during the late 1990s, the demands to restructure educational financing became more pronounced. Despite the seriousness of the 1998 economic setback, the reform course continued. In fact, immediately following the 1998 crisis, Russia's leading politicians and experts stressed the need to design a strategy for the country's future development and find ways to implement specific socio-economic policies to start post-crisis rehabilitation.

In 1999, the Russian government in cooperation with country's leading academics, national economists and expert organizations founded the Center of Strategic Research (CSR). The role assigned to the new body was to develop the framework to overcome the crisis and boost economic and social reforms. Some policy makers stated that the 1998 crisis – besides its obvious negative effects – had explicitly positive consequences, which generated adequate economic stimuli for enterprises, production revival through import substitution, and financial stabilization (Center of Strategic Research, 2005). At the end of May 2000, the Center presented to the Government of the Russian Federation the document entitled *The Strategy for the Socio-Economic Development of the Russian Federation for the Period up to 2010*. The *Strategy* formulated economic, social, and government institution reforms. The Center (2005) acknowledged that the *Strategy* laid "the ideological groundwork for all consequent conceptual documents of the government including the future action plans and the Medium-Term Program" (p. 2). In cooperation with the Higher School of Economics, the Center presented its educational program entitled the *Strategy for Russia: Education* (Center of Strategic Research, 2000). This *Strategy* proclaimed "the importance of education for the modernization of the Russian Federation" and established the need for the comprehensive sector reform (p. 1). Having completed their work in developing the reform strategy, the leading CSR experts moved to government administrative systems in order to work on the implementation (Center of Strategic Research, 2005).

Since 2003, the Center of Strategic Research has become the venue for the elaboration of the reform in "national projects," including the modernization of education and healthcare. Parallel to these national projects, the Center expanded its own research program.
At present, the organization is involved in developing and implementing the majority of reforms of the socio-economic sphere. In so doing, the Center is engaged not only in substantiating the priorities selection in every area of the reforms, but also in initiating specific operations and devising the necessary legal groundwork to bring them into effect (Center of Strategic Research, 2005).

Rhetorical and Enacted Policies of the Putin Government

The groundwork conducted by the previous Ministry of General and Professional Education and experts from the Center of Strategic Research laid the foundation for the new generation of education legislation. The revised educational policy was presented in the *National Doctrine on Education for the Period up to 2025* (Government of the Russian Federation, 2000) and the *Concept of Modernization of Russian Education for the Period up to 2010* (Government of the Russian Federation, 2001). According to officials, the policy reflected the international educational agenda adopted at the 1994 International Conference on Population and Development (ICPD) in Cairo (Isakov, 2003). The devised strategy defined priorities and policies for education and the Russian Federation for the following decades and was meant to speed up the educational change that had started in the 1990s but had been seriously impeded by the economic crisis.

The *Doctrine* and the *Concept* emphasized the role of education as a major factor in the country's economic development and transition into a democratic and lawful state. Education was considered a prime asset for the new nation-building agenda. Both policy texts noted that education was becoming "increasingly oriented toward the labor market and the nation's socio-economic growth requirements" (Isakov, 2003, p. 2).

The state was taking the responsibility for providing the necessary conditions for large-scale reforms of the education sector, which were expected to encourage higher education institutions to be more innovative and responsive to a globally competitive knowledge economy and to the changing requirements of labor markets. The new education strategy was based on the concept of human capital that focused on maximizing individual educational opportunities that the society as a whole would benefit from and on the efficient and transparent allocation of public resources. "Dynamic economic growth,… growing role of human capital, which makes up 70-80 % of national wealth in developed countries, require accelerated and anticipatory development of education" (State Council, 2002, p. 7). High quality and efficiency in education could be ensured only by introducing "normative budget financing," achieving "transparency of cross-budgetary relations in the sphere of education," and expanding "paid supplementary educational services at educational institutions," and "the market of educational services" (p. 9).

Compared to the *Law on Education* of 1992 and the *Federal Law on Higher and Postgraduate Professional Education* of 1996, the *National Doctrine on Education* was a much more concise document without any of the specific articles commonly found in statutes and laws. It was essentially an expression of the government's current education policy. In the opening paragraphs, the *Doctrine* was defined as a basic document, approved by the Federal Law, which set the priority for education in national policies and determined the overall educational strategy and main directions for its development (Government of the Russian Federation, 2000). By adopting the current policy, the government sought to articulate its national education agenda and to improve and supplement existing legislation (i.e., the previously discussed educational laws). Education was regarded as a way to overcome the social and economic crisis, to provide better living conditions and national security to the citizens, and "to restore the status of Russia in the [global] community as the greatest state in the fields of education, culture, science, high technologies and economics [and] to form the basis for the stable social, economic and cultural development of Russia" (p. 1). The *Doctrine* reflected the state's determination to take on responsibility for the present and future of national education and for making it the basis of Russia's social and economic revival.

In the document, "education" was defined as the accumulation of skills and knowledge, which help to reveal and develop creative abilities of every Russian citizen. In addition to cultivating diligence and high moral standards in people, education was considered a "profitable long-term investment" and "the most effective capital investment" (Government of the Russian Federation, 2000, p. 2). According to its authors, the aim of the current education policy was to instill in the public's consciousness the image of education and science as the main factors that would contribute to the progress of the modern Russian society and that would reverse the negative consequences of the last decade. The education modernization envisioned in the *Doctrine* and the *Concept* would help the society to overcome its current crisis, secure its future among the world leading countries, and provide high living standards for every Russian family:

> Education defines the current status of the State, [and] the role of man in society. National education has rich historical traditions [and] recognized achievements: in the XXth century Russia became the country of universal literacy, it was the first country [to send a man into space]. Russia [was at forefront] in the fundamental sciences; [and] it enriched the world's culture. (Government of the Russian Federation, 2000, p. 7)

The educational modernization course adopted by the Putin government in 2000 was elaborated in the *Concept of Modernization of Russian Education for the Period up to 2010*. The preparation of this document involved a detailed study of analytical materials and the contributions of Russia's regions, which had received the draft of the *Concept* in order to make their suggestions. A deputy chair of the Education and Science Committee of the State Duma (Russian Parliament), Smolin (2003), argued that among all the official projects that the country had seen in the past years, the project of modernization was the most important one. However, he wished that the final version of the document would not suffer the fate of the *Doctrine*, from which many of the concrete measures related to the sector financing had been removed. Another government official, Davydov (2004), noted that the government had produced a peculiar final editing of both the *Doctrine* and *Concept*. Instead of listing specific obligations, the *Concept* mentioned only an "accelerated increase in spending on education" and a "considerable raise of salaries for educational personnel." He further commented that the documents had completely omitted explicit provisions for increasing education financing, and time frames for bringing the wages and salaries of the academic staff of HEIs up to the level stipulated by the *Law on Education* of 1992 (a detailed description of the documents is provided in Appendix E).

Already by 2005, the government recognized that the implementation of education programs could be delayed, and that any delay would be undesirable since some projects were bound by international agreements (e.g., the Bologna process). To prevent any problems, policy makers from the recently formed Federal Education Agency developed a strategic plan, or the *Federal Program of the Development of Education for the Period 2006-2010*.

As a consecutive plan for the development of education within the modernization framework, the program was to ensure that the measures proposed in the *Doctrine* and the *Concept of Modernization* would be implemented within a defined timeframe. The government was concerned that its earlier proposals might remain unfulfilled, and that any failures would lead to a number of negative consequences for the education sector, the national economy, and society. For example, in higher education, this situation could jeopardize "the comprehensive realization of the Bologna process," and would undermine "Russia's rating among the other countries competing in the market of educational services" (Government of the Russian Federation, 2005, p. 5). The problem of access to education could potentially increase "social tension" and contribute to further "social stratification" (p. 5). Deterioration of the institutional infrastructure might require the adoption of "extreme measures" to reverse the situation. Lack of qualified specialists and necessary material and methodological resources would slow down the introduction of new educational programs, would negatively affect "human capital of the country" and would reduce the country's "competitiveness and investment attractiveness" (p. 5).

The main strategic goals identified in the document were similar to those described in the *Doctrine* and the *Concept*. The major focus would be (a) the creation of new institutional mechanisms in education, (b) the modernization of the structure and contents of education, and (c) the development of a fundamental and practical orientation for the educational programs. The funding for the programs would be provided from the federal and regional budgets, as well as non-budget resources acquired from university funds, sponsors' support, and the money from international organizations including the World Bank.

The authors of the *Program* stated that the main condition for strengthening Russia's political and economic role and raising Russians' living standards would be established through the country's competitiveness in the global market. Russia's competitive edge would depend on the growth of its human capital, closely connected to its education system: "It is this sphere [education] that is the foundation of stable economic growth of the country for the mid-term and long-term period" (Government of the Russian Federation, 2005, p. 6). Therefore, the goal of educational modernization at the mid-term stage would be to ensure Russia's global competitiveness.

The introduction of market mechanisms into the education sector was regarded as the most effective way to reduce the gap between labor market demands and the quality of educational services, and to ensure equal opportunity and access to quality education. In addition, the Program would eliminate the obstacles to joining the Bologna process and the World Trade Organization (Government of the Russian Federation, 2005, p. 6). In the long term, the government expected that the outcomes of the Program implementation would have a profound impact on the socio-economic situation in Russia. In particular, the program would ensure the high "quality of human capital"; the increased quality, transparency of and access to educational information; and the introduction of new forms of educational administration. The modernization of the technological and social infrastructure of education, the restructuring of the system of specialist training at all levels, the increased exporting of Russian educational services abroad, and the reduction of educational costs were also cited as the expected results of the *Program's* implementation.

Moreover, the government identified the *Program's* possible social effects. Education would provide more opportunities for the professional self-realization of individuals. The demand for an educated young work force would grow. The government also predicted that its measures would prevent internal and external brain drains to other professions and countries, respectively. The implementation of the Program was expected to have a number of long-term implications. For example, at the federal level, the Program implementation would

> … promote competitiveness and efficiency of the Russian economy due to the enhanced quality of human capital, better responsiveness to the demands of the intensively developing economy, and efficient use of labor resources;
> To ensure a more efficient use of the budget resources for education due to the wide participation of public, state, and professional community in providing effective quality control of educational services. (Government of the Russian Federation, 2005, p. 12)

At the institutional level, the government hoped to increase the number of innovative educational research entities (complexes), improve institutions' financial situation and make the education sphere more efficient. By creating conditions for professional realization and raising income levels in the education sphere, the government wanted to make the education sector more attractive to young people and "to curb the loss of talented pedagogical cadre abroad and to other industries" (p. 12).

The document's major themes involved (a) the competitiveness of the national economy on the global market, (b) flexibility and innovation; (c) the productive and allocative efficiency of the education sector, (d) accountability and transparency, (e) educational quality and responsiveness to the needs of the labor market, and (f) the growth of the country's human capital.

Education Modernization in Action

[illegible]cussion of Russia's education modernization policy would not be complete without analyzing the main projects currently under way in the education sector. The government policy texts presented in this chapter provided a framework for the current educational modernization in Russia. In order to fully understand this process and its effects on higher education, the concrete measures that have either been proposed or are being implemented in the education sector today must be examined. Russian educators often refer to these on-going projects as "the pillars of educational modernization."

In spring 2000, the program entitled the *Strategy for Russia: Education* was developed by the influential Center of Strategic Research and the Center for Educational Policy of the Higher School of Economics. The Strategy, known in Russian as the Gref Program (named after the head of the Center of Strategic Research), stated the importance of education for the modernization of Russian society, assessed the current education market, and outlined the major elements of the future reforms. The analysts from the Center argued that several trends characterized the current situation in Russian education market. First, "the population now realized the importance of education" and was "increasingly paying more for education." Second, education in Russia was "de facto not free." Third, educational institutions were "increasingly influenced by the labor market." And, finally, the market for educational services was becoming more diverse (Center of Strategic Research, 2000, p. 4). The combination of negative problems, including the lack of funds to adequately finance the education system; the educational institutions' inefficient use of available resources; and the growing inequality of opportunity to receive a quality education, determined the proposed reform's direction. The *Strategy's* first goal was to ensure equal educational opportunity for students from different socio-economic groups and regions. The second goal was to ensure more efficient use of public funds. To address these issues, the government launched two pilot projects related to access to and new financing mechanisms for post-secondary education (Center of Strategic Research, 2000).

The Unified State Examination

The first project, known in Russia as the Unified State Examination (USE), became the first standardized exam that high school graduates have to take at the end of their secondary education. The exam was designed to replace the "wastefulness" of university entrance exams, to provide equal access and, as often stated, to eliminate tutoring practices and bribes. Often compared to the American Scholastic Aptitude Test (SAT), the USE consists of five sections. Mathematics and composition are mandatory; the remaining three areas are expected to reflect each student's future course of study and may include chemistry, physics, foreign languages, history, and geography. In 2001, when the Ministry of Education adopted a decree to introduce the Unified State Examination, only five regions out of 89 were chosen to participate in the project. In 2003, the number of participating regions was already 48. By the year 2005, over 83 % of all school graduates in the country were reported to have taken the exam.

After analyzing the results of the project, the government decided to fully implement the exam across the country by the year 2008. From the time of its first introduction, the exam became the catalyst for the heated debates among educators in both secondary and higher education sectors. Although the pilot project is coming to an end, and the plan to implement the USE is scheduled for the near future, the exam's introduction has been and continues to be the most discussed topic in Russian mass media. It is one of the most discussed topics in on-line publications, newspapers and in interviews with educational authorities. Current Minister of Education and Science, Andrei Fursenko, brought up the issues of the USE in almost every interview given to the Russian press. For example, he stressed that "the USE is based on the right idea: standard [educational] requirements for entire Russia" (Kuzin, 2004, p. 1).

Since 2001, this issue has also been a popular debate topic at the Annual Congress of Russia's Rectors, who have often expressed their negative attitude toward the design and implementation of the USE. While many regions have decided to participate in the experiment, Moscow and Saint Petersburg were the last two regions to join it. Their resistance to the pilot project was perceived by the reformers as the act of "burying" the modernization of the Russian education system and preventing the nation from joining the World Trade Organization (WTO) (*USEs still puzzle instructors*, 2004). After long and painful deliberations, the administration of the Saint Petersburg region decided to join the experiment in 2005. Moscow's universities and the city administration were reluctant to join the pilot project, which made the Russian capital "the last bastion" of resistance until recently. Academician Viktor Sadovnichii, Rector of Moscow State University and president of Russia's Rectors' Union, is one of the strongest critics of the exam. At the 7th Union's Annual Congress, the question of the Unified State Examination was at the center of the discussion. It was mentioned that the corps of rectors cautioned the government against giving the USE a monopoly status. In their opinion, relying exclusively on the results of the exam could damage Russia's education system as the search for talented young people should not be limited to one formalized form of knowledge testing (Sadovnichii, 2004, p. 29).

Some policy actors expressed their concerns regarding equal access to higher education. Pupils would approach the exam with differing levels of knowledge, which today are closely related to the socio-economic status of their parents. Well-off parents often place their children in elite schools and also can afford to hire tutors and pay for extra lessons if needed. Some critics of the exam argued that it would provide a clear record of the differences in families' material circumstance. Even lazy and ungifted offspring of wealthy parents would have a better chance than other students to attend the best schools, to be drilled by teams of private tutors, and to achieve higher scores on the exam (Buzgalin, 2001).

Despite much criticism and heated debates, the project continued in many Russian regions. Government officials stated that participation in the project was left entirely up to the regions without any pressure from the center. In fact, regional authorities decided what academic areas to include in the examinations and whether participation in them was obligatory or voluntary (Bolotov, 2005). Nevertheless, mass media and the Internet sites and publications have played an important role in keeping the focus on the USE and disseminating the results of the project. For example, the Ministry of Education has created a special USE web site that provides current information to students and teachers, university entrants, observer, educational authorities, higher educational institutions, and journalists. One can access official documents and publications, as well as participate in forums and learn more about the project and its results. Quite often, the media have reported positive outcomes of the on-going USE experiment. However, its results have been interpreted mostly by those who were directly involved in it or those interested in its implementation, not by independent observers. For example, the former Minister of Education, Vladimir Filippov, noted that being an objective evaluation mechanism, the USE offered more opportunities for students to access HEIs, especially for those who live in remote regions of Russia (IA Rosbalt, 2004, p. 1). The sociological survey conducted by the Ministry of Education suggested that students participating in the USE and their parents were quite satisfied with the exam, as it eliminated "the double psychological stress" associated with final and entrance exams (Vaganov, 2002, p. 1).

Some educators remarked that the experiment could hardly be called an "experiment," but rather the gradual forced institutionalization of the USE across the country. In 2005, the Ministry of Education and Science (the former Ministry of Education) stressed the importance of the public's participation in the discussion of the USE project, which concerns everybody in the country. The Ministry considered the importance of the feedback provided by the higher education community, but it also believed that its opinion should not be the dominant one. After all, higher education institutions were not created for their own sake, but to respond to demands of the public and the state (Bolotov, 2005). Since the Unified State Examination proved to be "a more objective form of assessment for both high school graduates and university entrants," its full introduction would be scheduled in 2008 (*USEs still puzzle instructors*, 2004, p. 1).

GIFO Vouchers

The second "pillar" of educational modernization is the GIFO projects initiated by the architects of the current reform in 2002. By introducing GIFOs, the government intended to change the financing of higher education in Russia. The Russian abbreviation GIFO (*Gosudarstvennoye Imennoye Finansovoye Obyazatel'stvo*) stands for a state individual financial certificate, or voucher, that is issued to high school graduates who have passed the Unified State Examination and intend to continue their education in post-secondary institutions. By issuing the GIFO (voucher), the government takes responsibility for allocating budget funds to support each individual student at a post-secondary educational institution. The amount of the voucher depends on a student's test scores. The test results are critical in determining the amount of money the students can receive for post-secondary education. The government will set the monetary value of the voucher annually to reflect changes in the economy and the rate of inflation.

The GIFO project is another highly contested issue of the current modernization. Experts have identified a number of problems associated with its introduction. The first opposing argument is that the voucher did not cover the full cost of higher education, so that students or their families would have to pay the difference. Thus, the proposal violates the constitutional provision of free higher education. The GIFO system does not provide 100 % tuition for students admitted to budget-financed institutions. Moreover, the Russian Constitution does not stipulate norms such as "partly paid" or "partly free" higher education, but clearly guarantees free higher education on a competitive basis.

The proposed GIFO system provoked many questions that the officials themselves found difficult to answer. Many critics suggested that the mechanisms of the voucher system had not been thoroughly thought through and explained to the stakeholders. Nevertheless, the authors of the project believed that GIFO system would be a new weapon in the war against poor-quality higher educational institutions. Some argued that the new mechanism would redefine the educational market and remove "weak players" (Melnikova, 2002). Recently, the government decided to introduce the GIFO system while continuing to work on developing better mechanisms for its implementation.

At the same time, a group of experts from the Higher School of Economics has been working on other related projects designed to assist prospective students with their education. Two of the proposals specifically aim at offsetting the difference in fees that the students will have to pay if their vouchers do not cover the full cost of education and living. According to the first plan, the government will introduce a system of government credits whereby students can either pay back the money over a five-year period or accept a position assigned by the government. According to the second plan, the government will introduce special student subsidies. The work on developing various instruments of higher education financing is still not completed, but there is a commitment to change higher education financing.

The USE and GIFO projects were envisioned by the architects of educational modernization as the way to address issues of standards and quality, access to higher education and the efficiency of financial mechanisms in the sector. Both projects were designed to remove the shortcomings of the existing system, which had been pointed out by national and international experts including the World Bank and the OECD. Reformers believed that replacing university entrance exams with a standardized exam would help to eradicate bribery at the university level and that higher educational establishments would be reimbursed based on merit and quality (*Putting a price on students*, 2002, p. 2). The GIFO project would restructure the entire higher education system, which, according to the current Minister of Education and Science, Andrei Fursenko, should be regulated by "external demands rather than administrative measures" (Naumov, 2005, p. 2).

The Bologna Process

Another important development in Russian higher education policy was the signing of the Bologna Declaration. After officially joining the Bologna process in September 2003, the government developed a comprehensive plan to make the necessary adjustments in the higher education curriculum and structure so that by the year 2010, Russia could become a full member of the European education community. In February 2005, the Federal Education Agency (a newly created division of the Ministry of Education and Science) issued a decree on the Bologna Declaration. The plan of action included the concrete measures to be implemented, specific dates, and responsible agencies. The transformation process should be completed by the year 2010. The Decree listed the following specific purposes of the program:

1. Development of the higher education system on the basis of the bachelor-master levels.
2. Systematic study and introduction of the ECTS system.
3. Introduction of the diploma supplement that will be recognized by the Bologna Declaration countries.
4. Creation of the mechanisms for recognition of the international educational credentials and Russian educational credentials in the Bologna Declaration countries.
5. Development of the international evaluation standards and criteria
6. Facilitation of academic mobility of students and professors. (Ministry of Education and Science, 2005)

To address these issues, the education ministry was making necessary adjustments to the existing federal laws on education and higher education and other previously adopted policies and decrees. The first step planned for 2005-2006 was to delineate the syllabi, models, and criteria for the full introduction of the bachelor and master levels in all higher educational institutions. A transition to a two-tier (bachelor-master) system was also expected to bring a considerable savings estimated at around 20 % (Kuzminov, 2005).

State higher education standards were to be adopted in 2006 in accordance with the European Credit Transfer System (ECTS). The experience of the institutions that had already adopted the ECTS would be then analyzed, and the expert team would prepare the information package and instructions on how to implement the new system in other higher educational institutions. The process of the ECTS implementation would include the reorganization of the university teaching through the introduction of the modular teaching process. A full incorporation of the ECTS was scheduled for 2008.

The government intended to ensure the quality of higher education through various procedures. For example, educational experts would design the criteria and evaluation mechanisms to ensure the comparability of Russian higher education programs with those of other European countries. Foreign expert teams would also be involved in the evaluation process at early stages of implementation. At the same time, the Minister of Education and Science would provide necessary "legal and normative support to encourage the academic mobility of students and staff" (Ministry of Education and Science, 2005, p. 5).

The signing of the Bologna Declaration was regarded as a very important move on the way to the European integration of Russian higher education in particular and the country in general. With the break-up of the Socialist coalition, Russia lost its influence in Eastern European countries and the former Soviet Union countries. The higher education systems in the Socialist countries had been modeled after the Soviet system in order to ensure student and academic mobility among them. Since most of the former Socialist countries have become members, or aspiring members, of the European Union, their education systems have been, or are being, modified in accordance with the educational policies adopted by the European Union countries. Russia, with its massive education system and problems brought by a prolonged period of economic crises, has been slow to adopt the two-tier bachelor and master degree system, even though this was required by its education laws in the 1990s.

With the signing of the Bologna Declaration, Russia's education system is on its way to integration into the European education system. According to the Russian reformers, this integration would enable Russia to compete in the market of educational services and to increase "the export of educational services" by attracting more international students and resources (Government of the Russian Federation, 2005, p. 11). Since the late 1980s, Russia has been losing its niche in the higher education area as many international students have preferred to attend European and American universities. Even European universities have been losing their first ranking in the world as the places where foreigners want to go to obtain their education. At the same time, the number of international students studying in the Unites States has been steadily growing during the 1990s. Russian officials hoped that in the future, the country's higher education could become a "brand name" that would attract international students. The Bologna process would provide such an opportunity for Russian higher education (Kosachov, 2005).

Russian officials consistently stated that ever since Russia had joined the Bologna process the country's education system had been moving toward the European integration much faster than other spheres of collaboration. Responding to the concerns expressed by a number of educators against abandoning the traditional strengths of Russian higher education, officials now more often stress the importance of preserving the traditions and certain characteristics of the Russian education system. The new sentiment expressed by educational authorities is that Russia is not going to Europe; rather, it is returning to Europe (Serebrennikov, 2005).

The three major projects currently under way in the education sector can be considered a part of the government's mega-project to transform the Russian economy into a knowledge-based economy, which will secure Russia's place in the global market. The role assigned to higher education today is to produce specialists required for the country's economy, employers, and society. In the Putin government's adopted policies, one can detect the idea of necessity to bring Russian education to a new level of development so that higher education and the country as a whole can compete in the globally.

The Changing Discursive Regime

The 1990s

The radical political changes in Russia in the 1980s transformed the country's discursive regime in various domains, including politics and education, the mass media and popular culture. Following the years of Gorbachev's perestroika, the Yeltsin government adopted educational policies significantly different from those of the previous Soviet government. The post-Soviet policy documents did not include notions associated with the Marxist-Leninist ideology, which once dominated such documents. In fact, the adopted laws clearly showed the government's desire to depart from "the morally and ideologically outdated normative and legal education system basis" (*Russia Higher Education National Report*, 2002, p. 2). Thus, after renouncing the Soviet ideology, the government also rejected its previous political discourse. The adopted laws on education in the 1990s promoted a spirit of "citizenship, diligence, respect for general and human rights, for one's environment, homeland, and family" (Government of the Russian Federation, 1992, p. 2).

In order to understand the changes that occurred in education policy discourse during the past 15 years, it is necessary to analyse the policy perspectives that emerged between the early 1990s and 2000s. In the following section, the post-Soviet policy perspective on the state, human nature, education, and knowledge as they were expressed in the official policy documents is examined and compared to the Welfare liberal perspective outlined in chapter 3 (see Table 3.1).

The State

The building of a new civic culture in Russia was one of the goals of the 1990s legislation, which also reflected the overall political and cultural sentiment that had emerged during and after the perestroika. The government expressed its willingness to preserve the strengths of Russian education and to continue to support it fully.

Modes of regulation. As Russia was transitioning from an exclusively state-controlled command economy to a market economy, it would be safe to say that its new mode of regulation was in the state of transformation as well. Although examined policy documents did not directly refer to any specific modes of regulation, there were a number of references made in the Russian Constitution and other official documents that Russia was becoming a country with a market economy. The state guaranteed "the integrity of economic space, a free flow of goods, services, financial resources, support for competition, and the freedom of economic activity," which clearly showed the government's intent to abandon its previous practice of the tight control and regulation of the economy (*Konstitutsiya Rossiiskoi Federatsiii*, 1993, p. 2). At the same time, the state retained its responsibility for education, health, and social welfare.

> In the Russian Federation federal programmes of protection and strengthening of health of the population shall be financed by the State;... Guarantees shall be provided for general access to and free pre-school, secondary and high vocational education in state and municipal educational establishments and at enterprises. (p. 8).

Thus, during the 1990s, the state combined a free market approach and a state control over the social sector. This mode of regulation led the OECD (1999) to conclude that Russia was "stuck between the old (traditional, centralized) and the new (market-driven) policy worlds" in higher education (p. 16).

Core philosophical principles. The core philosophical principles on the role of the state and social policy, as they were expressed in the Russian Constitutions and educational legislation adopted during the 1990s, were based on egalitarianism, which sees "equality of condition, outcome, reward, and privilege as a desirable goal of social organization" (Scott & Marshall, 2005, p. 181). Specifically, the Constitutions stated that

> The State shall guarantee the equality of rights and freedoms of man and citizen, regardless of sex, race, nationality, languages, origin, property and official status, place of residence, religion, convictions, membership of public associations, and also other circumstances. (p. 4)

The education right of the Russian citizens was articulated in the Article 43, which confirmed that

> 1. Everyone shall have the right to education.
> 2. Guarantees shall be provided for general access to and free pre-school, secondary and high vocational education in state and municipal educational establishments and at enterprises.
> 3. Everyone shall have the right to receive, on a competitive basis, free higher education in a state or municipal educational institution or at an enterprise. (*Konstitutsiya Rossiiskoi Federatsii*, 1993, p. 4)

The 1996 education law affirmed that all Russian citizens would be "guaranteed free higher and graduate education on competitive basis … guaranteed the freedom to choose what kind of higher and graduate education they want to receive and the kind of educational institution they want to attend" ("on a competitive basis" meant "based on the results of admission examinations" that applicants needed to pass in order to be admitted to a HEI, see Appendix A) (Government of the Russian Federation, 1996, p. 2). Certain categories of applicants including those with disabilities and those without parents or guardians, who met the entrance requirements, were given a priority access to higher education.

In addition to free education, the state also established state benefits for people with disabilities and families in need (*Konstitutsiya Rossiiskoi Federatsiii*, 1993, p. 7). Such benefits for disadvantaged groups of people were meant to create equal opportunities for citizens to exercise their rights.

State and welfare. The Russian state's involvement in the social sector was reflected in the Constitution, which declared the Russian Federation "a social State, whose policy is aimed at creating the conditions for a worthy life and a free development of man" (*Konstitutsiya Rossiiskoi Federatsii*, 1993, p. 2). The document further stipulated that everyone was guaranteed social security "at the expense of the State in old age, in case of illness, disableness [disability], loss of the bread-winner, for upbringing children and in other cases established by law" (p. 2). Low income families in need of home were entitled to state subsidized housing.

> The Russian Federation shall finance federal health care and health-building programs, take measures to develop state, municipal and private health care systems, encourage

> activities contributing to the strengthening of the man's health, to the development of physical culture and sport, and to ecological, sanitary and epidemiologic welfare. (p. 7)

All of these statements indicate that the state was actively involved in establishing and funding programs providing social protection to the Russian citizens.

State, individual and group relations. As stated in the Russian Constitution, the state was a guarantor of the rights and freedoms of the citizens, "man, his rights and freedoms are of supreme value. The recognition, observance and protection of the rights and freedoms of man and citizen shall be the obligation of the State" (p. 1). Thus, the post-Soviet social contract was based on rights and duties. "Every citizen of the Russian Federation shall enjoy in its territory all the rights and freedoms and bear equal duties" (p. 2).

Form of state power. The state continued to support welfare programs and assumed an interventionist position in respect to welfare services, including healthcare, and free education. For example, the Constitution of the Russian Federation stated that

> In the Russian Federation the labour and health of people shall be protected, a guaranteed minimum wages and salaries shall be established, state support ensured to the family, maternity, paternity [motherhood and fatherhood] and childhood, to disabled persons and the elderly, the system of social services developed, state pensions, allowances and other social security guarantees shall be established. (*Konstitutsiya Rossiiskoi Federatsii*, 1993, p. 4)

As follows from this excerpt, the state was responsible for protecting health, education and social security (at least as expressed in the document).

Conception of justice. Although the conception of justice was not directly addressed in any of the examined documents, the stipulation of welfare rights in the Russian Constitution can be associated with distributive justice, or "fair allocation, involving a one-way distribution of resources, rights, and obligations across a category of recipients" (Marshall, 1998, p. 329). To reiterate, every citizen of the Russian Federation was guaranteed "social security at the expense of the state in the old age," "health protection and medical aid," and "general access to and free pre-school, secondary and high vocational education" and "free, on competitive basis, higher education" (*Konstitutsiya Rossiskoi Federatsii*, 1993, p. 7-8).

Welfare provisions (e.g., healthcare, education, government pensions) guaranteed by the Russian Constitution and the laws on education suggested that, during the post-Soviet period, the Russian state formulated its social policies on the philosophic ground similar to the Welfare liberal policy perspective. Under the Welfare liberal perspective, the state is interventionist and acts as a provider of welfare services playing a positive role in relation to economy and civil society (Olssen et al., 2004). Welfare policies are designed to meet individual and group needs. Thus, in Russia, constitutionally guaranteed social provisions reflected the core philosophical principles of egalitarianism and rights to welfare practiced in many Western welfare states.

Human Nature

Basic principles. In the 1993 Constitution, citizens of the Russian Federation were considered to be operating according to "universally recognized principles of equality and self-determination" (*Konstitutsiya Rossiiskoi Federatsii*, 1993, p. 1). Individuals were expected to enjoy their personal liberties as well as to recognize mutual obligations and duties (e.g., paying taxes and serving in the military). "Everyone shall be obliged to pay the legally established taxes and duties," and "Defense of the homeland shall be a duty and obligation of the citizen of the Russian Federation. The citizen of the Russian Federation shall do military service in conformity with the federal law" (p. 10). Further, the Constitution postulated that every person had "to preserve nature and the environment and to care for natural resources and the wealth of the country" (p. 10).

Motives. While rights and liberties and "self-realization" were cited as an integral part of the new Russian society in the 1990s, the adherence to the common interests and responsibility for the country and its people suggested that individuals were not viewed as entirely independent, but rather were considered a part of the larger community. The Russian people were regarded as

> United by a common destiny of our land, … preserving the historically established state unity, striving to secure the wellbeing and prosperity of Russia and proceeding from a sense of responsibility for our homeland before the present and future generations, recognizing ourselves as a part of the world community. (p. 4)

People were assumed to be cooperative, respectful of human rights and liberties and to believe in "the good and justice" and "immutable democratic foundations" of the country (p. 1). For example, Article 17 of the Constitution stated that "the exercise of rights and liberties of a human being and citizen may not violate the rights and liberties of other people" (p. 6).

Shaping forces. In the examined documents no direct reference was found regarding the shaping forces. However, in the education laws, education and nurture were deemed important in shaping students into good citizens. Individuals were formed through "a purposeful process of nurturing and schooling," which was done in the interest of a person, society, and the state (Government of the Russian Federation, 1992, p. 1).

Pedagogical institutions and society should be involved in "students' upbringing" and "parent education" (p. 32). In addition, educators need to use art "to foster the development of ethical principles and ideals in young people" (p. 33). Thus, education, nurture and participation of society were seen as essential components of students' upbringing.

Education

Public or private good. The laws adopted between 1992 and 1996 guaranteed social provisions for education, including an educational expenditure of no less that 3 % of the federal budget, free general and free, on competitive basis, higher education, increased salaries for educators, and restricted the number of tuition-paying students. The Law on Education (1992) stated that "the State guarantees no less than 10 % of the national income [Gross Domestic Income] to fund the education sector annually" (Government of the Russian Federation, 1992, p. 65). Additionally, the state promised to ensure access to quality education, to provide textbooks, and to subsidize extra-curricular activities and other supplementary education. Provisions for education and the extensive list of social guarantees for students (subsidized housing, transportation costs, and meals; see Appendix E for a complete list) clearly indicate that education was viewed as a public good, which contributed to both the development of an individual and society.

Similar to the welfare state policy perspective, education in post-Soviet policies is considered fundamental constitutional right. "The State guarantees the right to education by establishing the education system and creating necessary socio-economic conditions to enable people to receive education" (Government of the Russian Federation, 1992, p. 17).

The purposes of education. According to the 1992 Law, education was considered to serve "the interests of an individual, society, and the state" (p. 1). Education was provided on the basis of the Russian legislation and established international norms and rights and was considered of primary importance in the Russian state policy. Article 2 (Chapter I) of the Law on Education outlined the basic principles of the national education policy and purposes of education, citing the importance of "a humanistic approach to education, the priority of universal human values, human life and health, and free development of a personality." Education should "form world outlook" and "integrate an individual into the national and world culture," and "contribute to self-determination and create conditions for self-realization" (Government of the Russian Federation, 1992, p. 34).

The personal ends of education. The personal ends of education defined in the 1990s legislation included "self-determination" and "self realization" (Government of the Russian Federation, 1992, p. 3). Furthermore, the law stated that education would give students the opportunity "to form the level of knowledge necessary in modern life" and "to integrate into national and world culture" (p. 2).

Additionally, individuals would be able to satisfy "their need for intellectual, cultural and ethical development through higher education and graduate education" and to develop "a civic position and competence to function in modern civilization and democracy" (Government of the Russian Federation, 1996, p. 6).

The social ends of education. The expected social ends of education, as expressed in the education laws, included "the development of society," "the consolidation and improvement of the lawful state," and "reproduction and growth of the cadre potential of society" (Government of the Russian Federation, 1992, p. 2).

Moreover, education would foster "the creation of the unified federal, cultural and educational space. In a multicultural state, such as Russia, the education system should protect and help develop ethnic cultures, regional cultural traditions and identities" (p. 2).

Among other things, education was believed to contribute to dissemination of knowledge among the general population and "increase population's overall level of education and culture" (Government of the Russian Federation, 1996 p. 6). It would contribute to "mutual understanding and cooperation among people from different racial, national, ethnic, religious, and social backgrounds" (Government of the Russian Federation, 1992, p. 14).

Relations between the child and society. In the 1990s educational legislation education was recognized as the means to help individuals "integrate into the international and national community and cultural and professional sphere" (Government of the Russian Federation, 1996, p 3). In terms of relations between the child and society, education would foster "the development of citizenship, the integration [of a child] into modern society and the desire to improve this society" (Government of the Russian Federation, 1992, p. 13). By receiving a good quality education, the child would be able to appreciate "diversity of world outlooks" and "to realize their right to form personal opinions and convictions" (p. 14).

The welfare state policy perspective on education was expressed in much the same terms, suggesting that education has the potential to contribute to the moral, ethical, social, cultural, and political awareness of all citizens and promote their integration of society in terms of gender, race, class and creed. Education was viewed as a public good and was compulsory and free.

Knowledge

The purposes of knowledge. Since the education laws adopted in the 1990s primarily dealt with the organization, financing, and social guarantees for education, the purposes of knowledge were stated rather succinctly. The knowledge that individuals received through their education "is one of the factors of economic and social progress of society" (Government of the Russian Federation, 1992, p. 30). Meaningful knowledge "satisfies individual's needs and contributes to the overall wellbeing of society and the state" (p. 30).

According to the 1996 law "knowledge provided by higher education institutions should raise educational and cultural level of population" and "contribute to further development of sciences and arts" (Government of the Russian Federation, 1996, p. 6).

Power over knowledge and the curriculum. The 1996 law stated that implementation of education programs, standards and the granting of degrees and qualifications would be the responsibility of the state educational authorities. For example, at the federal level the government would "develop and approve higher and graduate education curricula, and organize the production of scientific literature and visual materials" (Government of the Russian Federation, 1996, p. 21).

Knowledge and skills, which should reflect "the changes in national economy and society" and "correspond to the international developments in higher education," would be assessed by various educational authorities (e.g., teachers, professors and expert organizations) depending on the degree (Government of the Russian Federation, 1996, p. 12). The state attestation committee and educational administration bodies would be responsible for monitoring the quality of higher education. The state control of the quality of higher and graduate education would ensure "consistent state policy," "the high quality of specialists preparation," and "the efficient use of federal budget resources" (p. 23).

The nature of knowledge. The 1992 law maintained that Russian students should receive "fundamental scientific knowledge" and "understanding of contemporary issues, which would enable them to function in culturally diverse environment" (Government of the Russian Federation, 1992, p. 23).

Skills and knowledge that young people obtain through education would contribute to "self-determination and create a possibility for self-realization; benefit the society and strengthen and improve the lawful state" (p. 23). Knowledge obtained through higher education should encourage the development of scientific research and creativity, "promote and preserve ethical, cultural, and scientific values of society," and encourage people to "continue their professional development and growth" (Government of the Russian Federation, 1996, p. 6).

The post-Soviet policy perspective on the purposes and nature of knowledge was similar to Welfare liberal perspective, according to which worthwhile knowledge satisfies society's needs and individuals' needs and development. Under this perspective, knowledge and understanding are not assessable in terms of outcome measures; rather they depend on a particular context and the relationship with the teacher (Olssen et al., 2004, p. 181).

Overview of the 1990s Post-Soviet Era

The main tenets of the post-Soviet policy perspective on the state, human nature, education and knowledge and the Welfare liberal policy perspective adapted from Olssen et al. (2004) show remarkable resemblance. In sum, many elements of the welfare policy perspective on the role of the state and education are similar to post-Soviet policy perspective and legislation introduced between 1990 and 1997, which dominated policy discourse in the 1990s. These similarities in policy perspectives appeared when the Russian government rejected the previous ideological regime and adopted a new course on democratization of society and decentralization of economy (see summary in Table 6.1).

Table 6.1. Welfare Liberal and Post-Soviet Policy Perspectives on State, Human Nature, Education and Knowledge.

	Welfare liberal	Post-Soviet perspective
The state		
Modes of regulation	Keynesian; state/market separation	An emerging market economy. State-controlled social sector.
Core philosophical principles	Egalitarian, - aims to minimize differences between classes; "new" rights to welfare and education	Egalitarian. The state provides rights to welfare and free education.

State and welfare	Supporting the causalities of social change through organized state welfare programs	"A social state" - social welfare provided by the state.
State/individual/group relations	Social contract based on theory of rights, or utility + interventionist	Social contract based on rights and duties.
Form of state power	Interventionist, provider of welfare services as well as universal, "free" and compulsory education; plays a positive role in relation economy and civil society	The state is a provider of welfare services including free compulsory education, free (on competitive basis) higher education.
Conception of justice	Distributive or "end-state" justice (Rawls)	Distributive justice.
Human nature		
Basic principles	Emphasizes human needs and mutual obligations	Emphasizes universal rights and mutual obligations.
Motives	Mixed between altruism, wants, self-love, and compassion. People are co-operative and interdependent; sense of natural justice	People are cooperative, respectful of universal values, individual rights and freedoms.
Shaping forces	Emphasizes nurture and environmentalism in combination with nature. Sees people as only partially autonomous	Emphasizes the role of education and society in child's upbringing.
Education		
Public or private good	Education is a public good. It aims to guide children in terms of social needs and individual talents (free and compulsory state provisions)	Education is a public good (free and compulsory provision). The humanistic nature of education to encourage individual development.
The purpose of education	Education has the potential to enhance persons in the full realization of all their abilities and competencies	Education helps to develop individual abilities and competencies, promotes self-realization.
The personal ends of education	Education has the potential to develop the moral, ethical, social, cultural and political awareness of all citizens; emphasizes needs, interests and growth	Education develops civic values, diligence, respect for individuals' rights and freedoms, environmental conscience, allegiance to one's country and family.

The social ends of education	Education can assist the operation of the democratic process in society; a fundamental rite of citizenship	Education can promote the development of lawful society and citizenship, and mutual respect.
Relations between the child and the society	Education can help promote integration of children into society in terms of gender, race, class and creed	Education can help to integrate a child into society.
Knowledge		
The purposes of knowledge	Worthwhile knowledge satisfies society's needs and the individual's interests and development	Worthwhile knowledge satisfies society's and individual's needs and promotes development.
Power over knowledge and the curriculum	The worth of an education is judged by expert educationalists, that is, teachers, principals, and educational policy planners	The worth of education is judged by professionals (teachers, professors, state bodies).
The nature of knowledge	Education is broad and deep and emphasizes knowledge and understanding, which is not assessable in terms of outcome measures, but is dependent upon a particular context and the relationship with the teacher	Education is broad, emphasizes fundamental and scientific knowledge an understanding.

Russian education reforms of the 1990s were designed as a necessary corrective to the inherited "deficiencies" of the previous ideological regime. The focus was on the student, who was to be self-determining and able to make choices. Representing a significant shift in terms of dominant ideology, the adopted policies were consistent with those of the social welfare state, which considered education a public good as opposed to an individual good. Reflecting this view, the education policies adopted during the 1990s consistently stressed the belief in the state's provision for education, as well as in its continuing commitment to access and equality of opportunity for all Russian citizens.

When examining the educational policies of the 1990s, the context of the previous political structure and ideological approach of the Soviet Union must be considered. The Soviet government's goals in education were to uphold Socialist ideals of equality and the development of the Communist/Socialist society and economy. Logically, the Soviet educational policies reflected those goals. In the post-Soviet Russia, educational reforms were driven by the radical political, economic, and social transformation and mirrored the changes taking place in the society. However, as the Soviet state played a very significant role in social policy and welfare provisions through interventionist management and centralized authority and resource allocation, so did the post-Soviet state that while encouraging decentralization and autonomy of educational institutions continued its role as welfare and social policy provider.

The post-Soviet education laws laid the foundations for the implementation of sector-wide reforms in accordance with the new political and societal aspirations. However, the basic principles of the education reform and government's commitment to providing access to free education, including post-secondary, suggested that they were essentially a modification of the previous Socialist welfare policies. The major shift occurred in the ideological substance of education policies and the emphasis on democratization, humanization of education and curriculum and an individualized approach in programming and teaching. The key policy issues as reflected in the education laws in 1992 and 1996 were similar to the previous Soviet education policies. This continuity could not escape the watchful eyes of the international educational policy makers. For example, the OECD report on the state of education in Russia pointed out that the statement of goals was not sufficiently comprehensive. A society undergoing such a radical transformation had to more directly articulate its policies in terms of preparing school leavers for life in a market economy, linking training to labor market requirements, and preparing a new generation of economists and other specialists in business skills (OECD, 1998a). Obviously, these points were not specifically addressed in the post-Soviet educational policies.

Another area that the OECD team defined as problematic was the lack of a mechanism for the normative financing of education and the ability to manage and finance educational reforms that posed a major challenge to the Russian Federation. A discussion of goals should necessarily consider the available resources. As the inherited Soviet educational infrastructure was designed to achieve the goals of a differently structured social system, during the transition period, the country would face difficulties in maintaining this large infrastructure. Although benevolently designed, new educational goals and policies would be more costly and more difficult to achieve that those under the command economy. Therefore, the government should set its expenditure goals based on a realistic analysis and on a set of priorities among educational goals (OECD, 1998a).

Indeed, the implementation of the set goals proved to be a real challenge for the government, which could not fulfill its duties and obligations in the years to come. Many principles and propositions delineated in the 1990s legislation remained rhetorical because the government did not continuously endorse their full introduction. While exciting new goals were set for education, the transition era brought various setbacks. Much of the OECD's (1998a; 1999) criticism was directed at unrealizable promises that the Russian government made regarding the financing of the educational sector and the severe mismatch between the policy intent and policy implementation:

> A historic new direction for a great nation is afoot. The realization of its goals and aspirations for educational reform requires time and better economic conditions. The Russian Federation has set out on a courageous path. It is important that the progress to date be carefully analyzed, that clear and well informed directions are set for the long-haul process, and the morale and commitment of those who implement the changes are sustained and buttressed by improving conditions. (OECD, 1998a, p. 160)

The economic crises significantly impeded the government's ability to honor its promises. A mixture of political and economic conditions interfered with the complete implementation of the 1990s education laws, which, according to Russian educational authorities, may have been more liberal than times warranted (Smolin, 2003). The legislation appears to have been enacted before appropriate decentralized administrative structures and everything envisioned by the authors of the laws could be fully implemented.

However, at the policy level, the Russian government retained social provisions for health, education, and social security and continued to emphasize an active role of the state, promising a "socially-oriented" government. Many ideas expressed in 1990s policy documents echoed welfare liberal policy perspectives on state, human nature, education and knowledge. For example, under both policy perspectives, the state promoted egalitarian policies to minimize differences between social groups and provided welfare services, including free education. Similarly, education was considered a public good, which, among other things, had the potential to develop individual abilities, promote civic values and the development of democratic society and citizenship. These apparent similarities established between major policy perspectives suggest that during the 1990s, the post-Soviet social policies were closer than ever before to the welfare liberal policy perspective.

The 2000s

The year 2000 was another turning point in Russia's history. From the beginning of his first term, President Putin expressed his determination to implement liberal reforms in the country, which had been slowed down by the financial crisis during Yeltsin's presidency. Newly appointed Minister of Economic Development and Commerce, German Gref, stated in his 2000 report that the goal of the government was to create a market economy with "a social face," whose main foundation was provided by liberalization (Gref, 2000, p. 6). This goal implied a radical restructuring of the economy "unprecedented in its scope," which would entail the "farthest possible withdrawal" of the state from the area of investment and would "shun any superfluous regulation of the market" (p. 6). Instead, the state should concentrate its efforts on legislative activities and the administration of justice with the aim of reinforcing the ability of state institutions to function properly. In the view promoted by the visionaries of the liberal reforms, only such an approach could rescue the Russian economy in the environment of global competition. A functioning market-economy could be created only if Russia's public-sector employees felt the pressure of competition from other countries, if entrepreneurs were subjected to pressure from investment funds, and if these, in turn were under pressure from their own stakeholders and banks (Gref, 2000).

The reforms of the social sector that followed clearly reflected the views expressed by Putin's administration. Regarding educational reforms, Gref further noted that the government would be discontinuing the institutional financing of the state's higher education institutions: "In future, they [these institutions] will receive the funds they require from students. Higher education institutions, therefore, also have to face up to competition. All of these, of course, are reforms of a far-reaching character" (Gref, 2000, p. 6). The report expressed the fundamentally different position taken by the government since the year 2000.

When President Putin announced that the state was "coming back to education," and introduced a new policy to modernize education, a significant shift in the education discourse occurred. The government's recent policies, the *Doctrine* and the *Concept*, defined "education" as a major factor in the country's economic development during the country's transition into a democratic state with a market economy. As a result, education was becoming increasingly oriented toward the labor market and the nation's socio-economic growth requirements (Isakov, 2003). The state took responsibility for providing the necessary conditions for large-scale reforms of the education sector, which were expected to encourage higher education institutions to be not only more innovative, but also more responsive to the requirements of a globally competitive knowledge economy and labor market. The adopted government policies revealed changes in how the problems of education were currently defined and how they should be addressed in order to accomplish the government's liberal program for Russia. In the following section, the current Russian policy perspective on the state, human nature, education, and knowledge is examined and compared to the Neo-liberal policy perspective outlined in chapter 3 (see Table 3.1).

The State

In contrast to the previous view of the state as a provider of the social programs, the Putin's administration launched a distinctly new program of social and economic development of the Russian Federation.

Modes of regulation. The Center of Strategic Research (2004) stated that the state's commitment in the social sphere should not go beyond what it can "effectively provide." The main state's responsibility should be to create legislative and administrative opportunities for the social institutions and economic development. "The state should not dictate how the economy should function, but organize necessary economic research by inviting employers and experts to contribute to the development of the Russian economy" (Uchitel'skaya Gazeta, 2005, p. 2).

Thus, the proposed "deregulation of economy," "the farthest possible withdrawal of the state" and the elimination of excessive "regulation of market" were viewed as the only possible way to "rescue" the Russian economy "in the environment of the global competition" (Gref, 2000, p. 6).

Core philosophical principles. Although the Russian Constitution remains a document establishing the fundamental philosophical and organizational principles of the Russian state, a different set of philosophical principles have been promoted by the Putin administration, which incorporated new expressions, such as "bourgeois society," into its new program for Russia (Gref, 2000, p. 1). The state approach to Russia's modernization was summarized by the government officials in terms of

> The liberalization of economic activities. Entrepreneurial initiative, the human being had to become the focal point of the entire system, the development of private initiative, the granting of as many liberties as possible, investment in human beings as entrepreneurs – there can be no other priorities. (p. 2)

Thus, since 2000, an "entrepreneurial" human being has appeared at the center stage of state policies.

State and welfare. The relationship between the state and welfare were succinctly articulated by the current Minister of Economic Development and Commerce, who stated that the goal of the Russian government was to create "a market economy with a social face," which meant that "we [the government] have to leave the range of social services at a sufficiently high level" (Gref, 2000, p. 5).

At the same time, the policy documents circulated by the Center of Strategic Research, which devised the development strategy for Russia, consistently stressed that "the state should concentrate its efforts on legislative activities and the administration of justice with the aim of reinforcing the ability of state institutions to function properly" (Center of Strategic Research, 2004, p. 2). In the view promoted by the visionaries of the liberal reforms, only such an approach could rescue the Russian economy in the environment of global competition.

During the transformation of the social policies in Russia, the government wanted to ensure that its policies would provide the most efficient protection to the most vulnerable households because they "cannot solve social problems on their own" and developed "an objective need to rely on the state's support" (Center of Strategic Research, 2004, p. 1). The state would provide "a system of social support that is rendering effective assistance to the unprotected categories of the population. Especially in the way that does not encourage social parasitism or create stimuli to work avoidance" (p. 2).

State, individual and group relations. The state would maintain economic conditions for "the able-bodied population" that would allow the population "to use their personal income towards improving their standards of social consumption, including more comfortable housing facilities; better quality of services in the areas of education and healthcare and adequate living standards after retirement" (Center of Strategic Research, 2004, p. 8).

The state responsibility should be to establish institutions in social and cultural spheres that would permit "the maximum possible mobilization of capabilities of the population and enterprises and an efficient use of these means as a basis for the provision of a high quality of supplied social benefits and services to the population, as well as giving them opportunities to make a choices" (Center of Strategic Research, 2004, p. 1).

Thus, while accepting the duty to support vulnerable groups of population, the state encourages "the able-bodied population" to use their personal funds for healthcare, education, and other services and rely more on themselves than to develop excessive social expectations and dependence from the state. Furthermore, personal responsibility and the ability to choose would be essential to improving one's quality of life.

Form of state power. The state declared that it was stepping back from the excessive regulation of the market and instead was going to "concentrate on legislative activities and administration of justice with the aim of reinforcing the ability of the state institutions to function properly" (Gref, 2000, p. 6). Thus, in respect to the economy the state proposed to play a "positive" role.

Putin's approach to social policy also implied that the state was moving toward a new model of a "subsidiary state," which would ensure a redistribution of social expenditures in favor of the most vulnerable population groups while simultaneously lessening social transfers to the wealthy families (Center of Strategic Research, 2004). Despite the fact that the state was arguing for "a market economy with the social face," it, in fact, was looking for ways to reduce "the social welfare burdens and the inefficiency of the state distribution of resources and investments," which were making Russia "far less competitive" in terms of global competition (Gref, 2000, p. 1).

Conception of justice. While the conception of justice, expressed in the Russian Constitution, was consistent with distributive justice, a new government argument suggested that "an efficient and competitive economic system based on market initiatives and minimum state interference would facilitate the citizens' self-realization in economic life, the growth of individual income and the reduction of poverty" (Center of Strategic Research, 2004, p. 1). In other words, people should be rewarded for the entrepreneurship and hard work that they put in and the choices that they make.

The state should effectively change its position of a provider of social policies to that of a coordinator of social policies and a facilitator of conditions for promoting individual responsibility, choice and growth of Russia's human capital. Arguing for a reduced role of the state in social provisions Gref (2000) provided the following argument for the reduced welfare spending, "A company which no longer bears responsibility for a social infrastructure is much more competitive than a company which has to maintain a university, a convalescent home, a hospital, kindergartens and so on" (p. 1).

Thus, the social policy approach pursued by the Center of Strategic Research and state officials echoed the neo-liberal policy perspective which allows the minimal state intervention in social provisions and the creation of "safety nets." The philosophy of "safety nets" calls for limited state social assistance and only for individuals under "extreme economic distress" (Stromquist, 2002, p. 27).

Human Nature

Basic principles. Current policy documents often refer to individuals as "choosers," who should be responsive to the demands of the global economy and be able to adjust to the new competitive market environment. For example, the *Concept* stated that

> A developing [Russian] society needs well-educated, ethical, entrepreneurial people, who would be able to make responsible decisions and choices, assess possible consequences of their choices, be cooperative, mobile, dynamic, constructive, and be concerned about the future of their country. (Government of the Russian Federation, 2002, p. 3)

In current policy documents, the entrepreneurial self-chooser emerged as a desirable type of citizen for the new Russia. "Entrepreneurial initiative" and "human being" are "at the heart of policies which we are implementing under President Putin" (Gref, 2000, p. 3).

Motives. In recent policies, individuals were often regarded as being independent, naturally "entrepreneurial" and having "private initiative" (Government of the Russian Federation, 2002; 2005; Gref, 2000). These qualities and the ability to make responsible choices emerged as the main attributes of the modern Russian individual, who was expected to readily compete nationally and globally. The re-orientation of the previous "collectivist" mentality to "individual responsibility" and "self-reliance" was evident in all policy documents adopted since 2000. For example, individuals were described in terms of economic categories such as "effective human capital" and "professional cadre resources" contributing to "the success in the global knowledge economy" (Government of the Russian Federation, 2005, p. 11).

Shaping forces. In both the 1990s and 2000s policy documents a strong emphasis was placed on education and nurture as the forces shaping individuals. For example, education was regarded very important in moral upbringing, which "must form in students a sense of civic responsibility and legal self-consciousness [awareness], Russian identity, spirituality, culture, initiative, independence and tolerance" (State Council, 2002, p. 12).

However, current educational policies consistently cited "personal responsibility" and "choice" as essential components contributing to the development of a modern Russian individual. Thus, while education would still be important in shaping young people into citizens, individuals should be equally responsible for themselves. For example, a student was expected to develop "ability to perform independently and take personal responsibility for one's learning" (State Council, 2002, p. 12).

Similar propositions are found within the neo-liberal model which considers individuals to be "rational optimizers" and "best judges of their own interests and needs" (Olssen et al., 2004, p. 138).

Education

Public or private good. Secondary and higher education is publicly provided and guaranteed by the state Constitution. However, during the past decade, numbers of fee paying students have been constantly increasing in public institutions, which suggests that education is increasingly viewed in terms of an individual consumption and investment, rather than as a public good and guaranteed constitutional right. In 2004, the Law on Education was amended to allow HEIs to admit an unlimited number of "tuition paying students for such specializations as jurisprudence, economics, management and state and municipal administration" (Nezavisimaya Gazeta, 2004, p. 4).

Although higher education was still considered "free" and funded by the government, officials stated that they would "discontinue the institutional financing of the state higher education institutions" and in the near future "some kind of indirect payment for higher education will be implemented" (Moskovsky Komsomolets, 2004).

The purposes of education. In contemporary Russian educational policies, education was regarded as a source of "the stable economic development of the country and a factor contributing to the social mobility among various strata of society" (Government of the Russian Federation, 2005). Education was expected to help Russian citizens to form "a new value system, which should be open, variable, spiritually and culturally saturated, dialogical and tolerant, and contribute to the formation of true citizens and patriots" (State Council, 2002, p. 5). Another goal assigned to education was to form "a professional elite" and "effective human capital," "competitive on the labour market ... ready for professional growth, social and professional mobility" (p. 8-10).

Among many goals of educational modernization stated in the *Concept* and the 2005 *Federal Program* was ensuring that education responded not only to the state requirements, but also "concrete demands of its consumers," which should attract additional financial resources to education, and, most of all, to make Russian education "competitive on the global level" (State Council, 2002; Government of the Russian Federation, 2005).

The Minister of Education and Science stated that Russian "self-praised fundamental" higher education" needed "economic, "usability" injection" to respond to the requirements of market economy (Expert, 2005, p. 3).

Personal ends of education. At present, education is regarded as an essential component in the molding of the new entrepreneurial individual who would be able to compete nationally and globally and securing the place for Russia in the global market. The *Concept* postulated that the main purpose of professional education should be

> To prepare a highly qualified, competent, responsible worker, possessing expertise in his/her area of specialization and interdisciplinary knowledge of other related fields;

> performing according to international standards and striving for continuous professional growth, social and professional mobility. (State Council, 2002, p. 12)

Modern education should provide individuals with the "employability skills necessary to compete in the market," which in the end would be beneficial for both the individuals, who could sell the skills, and the country, which would be able to effectively compete with other countries (Uchitel'skaya Gazeta, 2005).

Social ends of education. Social ends of education were closely connected with the role of human capital in advancing Russian economy and society.

> In the contemporary world the significance of education as a major factor forming a new quality [of] both of the economy and the society as a whole is growing. Its role is constantly growing together with the growth and impact of human capital. The Russian education system is capable of competing with the systems of education of advanced countries. (State Council, 2002, p. 2)

The view of the education system as a component of a larger economic system was further articulated in the 2005 *Federal Program* postulating that "the main competitive advantage of a highly developed country stems from its ability to develop its human capital, which is defined mainly by its education system" (Government of the Russian Federation, 2005, p. 4). This assumption of a close connection between education and economy lead to the introduction of market economy principles into Russian public education. For example, the launch of the GIFO (voucher) project was predicated on the logic of competition and consumer choice; universities would compete for "consumers," who would decide what kind of education and institution to choose.

While social ends of education, such as establishing "true democracy," were still regarded as an important contribution to the development of the Russian society, the main purpose of education at the current stage was to ensure conditions for Russia's successful competition in the global economy.

Relations between the child and the society. Modern education must be responsive to the needs of its "clients" who need to compete locally and globally.

Based upon their USE test scores, all Russian students would receive GIFO vouchers that would enable them to access post-secondary education and choose the kind of educational institution they want to attend. In relation to this, Minister of Education and Science, Fursenko, stated that

> People [students] should be responsible for their choice. ... School graduates, who have passed their exams – USE and entrance exams – successfully, deserve budget financing. They deserve this right to free education by demonstrating their intelligence, talent and abilities. If some have passed their exams less successfully – they will have to make a choice: either add their own money to the voucher or pay full fees, or apply for subsidies and a loan. (Uchitel'skaya Gazeta, 2005, p. 2)

Similar approaches to education can be observed in the neo-liberal policy perspective on education which treats education as commodity that students, as "consumers" and "choosers," can trade in the marketplace. According to current Russian and Neo-liberal policy perspectives, education systems are to respond to the needs of the marketplace and demands of the knowledge economy and to contribute to the human capital formation.

Knowledge

The purposes of knowledge. Current policy documents consider an acquisition of "universal knowledge and skills," "the ability to think independently and to make responsible decisions" and "to participate in lifelong learning" as most necessary education outcomes for students (Government of the Russian Federation, 2002; 2005). These skills should enable individuals to "be independent and develop a strong sense of personal responsibility," and "be prepared to make decision regarding potential employment and for entrepreneurial activities" (State Council, 2002, pp. 8-10).

Acquired skills and knowledge should respond to the demands of the economy and ensure individual's employability. "One should not learn what one is interested in, but rather what is in demand. ... To satisfy one's curiosity at the expense of the state and without considering objective demands of the economy is not the most practical strategy today" (Expert, 2005, p. 3).

Power over knowledge and curriculum. According to the current educational policies, the content of professional education should be defined by "the demands of the modern economy, social sphere, sciences, technology, and regional and federal labor markets" (Government of the Russian Federation, 2001, p. 12). In connection with this, Minister of Education and Science, Andrei Fursenko, stated that "one of the most important tasks of the educational reform is to ensure that content of education is not dictated by the administrative bodies, but rather by external demands. Knowledge should necessarily reflect these demands" (Naumov, 2005, p. 2).

Thus, the government goal in modernizing higher education was to ensure that higher education "correspond[ed] to the demands of the economy," was "open and flexible," and prepared "specialists with practical skills" (Uchitel'skaya Gazeta, 2005, p. 1).

The nature of knowledge. The knowledge and professional skills that graduates receive would enable them to form an effective "human capital" and successfully compete on the labor market. The new models of lifelong professional education would create opportunities for every individual "to choose their own education trajectory for further professional, career and personal growth" (Government of the Russian Federation, 2005, p. 4). In the view of policy makers, "knowledge and skills should correspond to the requirements of labor market and employers who need to be involved in defining desirable educational outcomes" (p. 4). Training of high quality specialists, especially in physics, chemistry, engineering, and medicine, should not only emphasize fundamental knowledge, "but be closely connected with a specific place of employment" (Uchitel'skaya Gazeta, 2005, p. 3).

The introduction of new degrees and educational programs in Russian HEIs (the Bologna process) should align educational outcomes with those in other European countries and make knowledge and skills transferable, which will "allow Russia to compete on the global educational market" (Government of the Russian Federation, 2005, p. 5).

Under the neo-liberal policy perspective, worthwhile knowledge satisfies individuals' wants to compete and is essentially the form of "human capital." Knowledge is judged in terms of its marketability by the "consumers," parents and industry. Skills and knowledge are transferable, not dependent on a particular learning content, and are assessable in terms of measurable outcomes (e.g., tests) (Olssen et al., 2004).

In Russia, the introduction of the standardized tests and the implementation of the Bologna requirements will provide mechanisms to measure and assess educational outcomes at secondary and higher education levels respectively. These measure will also allow for "easy comparison of degrees," "academic mobility," Russia's "integration into European educational space," and "the growth of the export potential of Russian higher education" (Government of the Russian Federation, 2005, p. 11).

Overview of the Contemporary Russian Era

The comparison of the Neo-liberal and current Russian policy perspectives suggests a number of similarities between the two. For example, the state's withdrawal from welfare provisions, a strong emphasis on usability of education and knowledge, and the introduction of market economy principles such as competition and consumer choice directly into public education are present in both policy perspectives. Concrete results of the social and educational policy transformation in Russia are seen in the implementation of the GIFO vouchers and standardized testing (USE), which were designed to promote competition between higher education intuitions, increase consumer choice, and enhance the quality and efficiency of education. A common assumption that education is a mechanism for economic reform and the economic success of a nation recognizes education as an investment in the human capital of a nation. Students are viewed as self-interested entrepreneurs willing to capitalize on their knowledge and skills. Thus, the creation of effective human capital, which can be traded in the marketplace, and development of "usable" knowledge and skills are regarded as desirable educational outcomes in both policy perspectives. The main tenets of the Neo-liberal and Current Russian policy perspectives are summarized in Table 6.2.

Table 6.2. Neo-liberal and Current Russian Policy Perspectives on State, Human Nature, Education and Knowledge.

	Neo-liberal	Current Russian
The state		
Modes of regulation	'Positive' conception of state power; marketization of the state	State should not dictate how the economy should develop.
Core philosophical principles	Enterprise economy supporting entrepreneurial spirit in private and public realms	Market economy and support of entrepreneurial human being.
State and welfare	Limited support for the causalities of social change – targeted assistance; dismantling of welfare service provision	Market economy with "a social face." Plans targeted social assistance for the "vulnerable."
State/individual/group relations	Aims to maximize diversity and choice between people	Emphasizes personal responsibility and choice.
Form of state power	Strong state/ reduced service and welfare expenditure; plays a "positive" role in relation to economy and civil society; indirect rather than direct state direction control and surveillance of people's lives	Strong state. Proposed reduction in welfare expenditure. Recent emphasis on indirect, "subsidiary" role of the state.
Conception of justice	Entitlement justice according to market or legal criteria, that is one deserves what one has gained by legal means (Nozick)	Distributive justice according to the Russian Constitution. Rewarding people according to the efforts they make.
Human nature		
Basic principles	Emphasizes individual desires and wants; an autonomous chooser	Emphasizes personal responsibility and choice.
Motives	Dominated by economic motives, a self-interested chooser. People are viewed as competitive and self-interested	Entrepreneurial and ready to compete individuals.
Shaping forces	Emphasizes nature and the genes. People are self-constructed, on basis of choices. Each individual is responsible for themselves	Emphasizes education, as well as personal responsibility and choices.

Education		
Public or private good	Education is publicly provided but privately distributed and accessed. Educators allow consumers to choose the education they want (quasi-market)	Education is publicly provided and guaranteed by the state Constitution. Education is becoming a private good (e.g., tuition fees and vouchers).
The purpose of education	Education will be used for the advancement of individuals who have paid for their skills	Education will form professional elite, contribute to individual, society, and labor market.
The personal ends of education	Education is a commodity that could be traded in the marketplace for money or status. The skills acquired in education will reflect the nature of the market.	Education is becoming a commodity. The skills should reflect the requirements of the labor market and ensure one's employability.
The social ends of education	The state has no power to decide what kind of education is best for the individual. There will be freedom of choice in schooling	Education will contribute to the country's ability to compete globally. Contribute to the growth of human capital.
Relations between the child and the society	Education must be responsive to the needs of their clients in order to be competitive. Individuals will receive vouchers, which they can cash for a certain type of education	Education must be responsive to the needs of the economy, and clients. Students will receive vouchers to pay for higher education (GIFO vouchers).
Knowledge		
The purposes of knowledge	Worthwhile knowledge satisfies individual's wants to compete; is a form of capital (that is, human capital)	Satisfies individuals' needs and forms effective human capital.
Power over knowledge and the curriculum	The worth of an education is judged by consumers, that is, parents and industry, in terms of the marketability of knowledge	The worth of education should be judged by consumers (employers and market).
The nature of knowledge	Education emphasizes performance knowledge and skills of use to employers, which is assessable in terms of measurable outcomes. Skills not dependent on a particular learning context or a teacher to the same extent	Emphasis on "usability" of knowledge. Skills required to navigate the market economy and compete globally. Learning "what is in demand."

Unlike in the 1990s era when the Russian state took up all responsibilities in social policy provisions, including financing and regulation of higher education, the current Putin government has redefined the relationship between the state, society and the market. The modern state should act as "a facilitator" and "an enabler" in social policy, as opposed to "a provider." This reflects a definite paradigm shift in the approaches to social policy, away from the former Socialist collectivist and welfare state policies towards policies emphasizing a "reduced" and "subsidiary" role of the state, the importance of human capital, and the superiority of market mechanisms (competition and consumer choice) in education.

In the 1990s education laws, the government's primary concern was to align education policies with the new societal aspirations and to improve the situation within the education sector, which suggests that educational policies were in essence "inward" oriented. After the year 2000, the Putin government took a course on insuring Russia's competitiveness on the global labor market, which clearly makes these policies "outward" oriented. The discourse which emerged in the Russian policy documents in the new millennium closely resembles the discourses of the World Bank, the OECD, and the IMF, which emphasize the challenges of the globalization and policy solutions to meet the demands of knowledge-intensive global economy. The commonly accepted global challenges, ideas of the new economic order and the instrumental view of education have also become prominent in the Russian policy discourse.

Defining the Policy Discourse

During the past several years, the notion of economic globalization emerged in the Russian political rhetoric as a dominant theme. The most recently adopted national educational policies were written in the common language of globalization and the new economic order, emphasizing "efficiency," "accountability," "competition," "economic based mechanisms," and "market demands." These policy documents cited "dynamic economic growth," "increased competition," "knowledge-based economy," "growing role of human capital," and "new technologies" as major contemporary tendencies of the global economic development, which should be necessarily considered in Russian educational modernization (Government of the Russian Federation, 2001). The link between education and economy has been actively promoted in the policy texts of the World Bank, the OECD and the IMF, who have been directing economic and social sector reforms in Russia since the 1990s. The impact of economic globalization and the new economic order has been reflected in the specific policy approaches and measures of the Putin government discussed earlier in this chapter.

In its current education documents, the Russian government emphasized a set of requirements for the education system during Russia's transition to "a law-based, democratic society and market economy" (Government of the Russian Federation, 2001, p. 4). The "law-based" and "democratic" society were presented as important aspects in the policy documents accompanied by the "new economic order," which was commonly viewed as a fact of life. The purpose of the current modernization of education was considered in terms of its importance to the national economy and the ability of the country to compete in the globalized world economy. Education was considered a powerful force in ensuring consistent economic growth and the effectiveness and competitiveness of the national economy, all of which would be essential to the country's national security and well being of its citizens. "In the knowledge-based economy, a priority place belongs to higher education as a hallmark of quality and as a major sector responsible for training specialists…" (State Council, 2002, p. 13). Education would have to fulfill the need for highly trained specialists, who should be able to compete in the international labor markets and be mobile, entrepreneurial, dynamic, and responsible:

> The growth of country's competitiveness is the primary condition for strengthening the political and economic role of Russia and for improving on its population's quality of life. In the modern world, which is moving toward globalization, the ability to adapt to the conditions of the international competition becomes a major factor in successful and steady development. The main competitive advantage of a highly developed country stems from the ability to develop its human capital, which is defined mainly by its education system. (Government of the Russian Federation, 2005, p. 4)

In this excerpt, the increased competition is linked to the improved quality of life and economic and political stability. The central message of the *Federal Program* was the necessity to compete effectively in a new knowledge-intensive global economy, which relies more than ever on human capital. This assertion corresponds to many ideas expressed in the policies of the World Bank, the OECD, and the IMF, who have strongly advocated the links between education and the economy and human capital and nation's success.

A section of the *Concept* entitled "Russian Education and Tendencies of the International Development" characterized the national education system as an important factor that would ensure Russia's position among the world leaders and its prestige as a country with advanced cultural, scientific, and education traditions. The authors of the document stated that the modernization of education in Russia should reflect common global tendencies, which included the fast pace of social development and extensive political and social choices; the transition to a post-industrial, information-based society; and increased cross-cultural interactions that would require improved communicative skills and increased tolerance. Emerging global problems would demand that the young generation think globally in order to deal with these growing problems. Among other common global trends, the authors cited the dynamic economic growth, increasing competition and structural changes in the global labor market, which called for a highly trained and mobile workforce. Taking into consideration the growing role of human capital, "which accounts for 70-80 % of national wealth in the developed countries," Russia should continue to modernize its education system to meet the demand for skilled people (Government of the Russian Federation, 2001, p. 4). Similar statements could be found in the 2005 *Federal Program* declaring the fundamental connection between the development of human capital and the ability of a nation to compete in the global market (Government of the Russian Federation, 2005, p. 4).

In recent Russian policy documents, the existence of common global trends was presented as a given; all nation-states, regardless of their location and conditions of social and economic development, were having to respond to identical pressures. The new economic and social reality was assumed to be universal. Similar representations of "the new global order" and common challenges are found in the policy texts of the World Bank and the OECD, who frame the educational policy directions and approaches in accordance with the imperatives of a global economy (Lingard, 2000). The Russian government has introduced a number of borrowed concepts into its "home" environment by devising qualitatively new educational policies and popularizing them via the mass media, to speed up their "domestication" (Fairclough, 2001).

"The new economic order" requires nation-states to create the necessary conditions for successful competition in the global economy. As the World Bank stated in its *Higher Education: Lessons of Experience* (1994), higher education would play a special role in this process. Unless reforms were implemented to improve the performance of higher education, many countries would be destined to enter the twenty-first century "insufficiently prepared to compete in the global economy, where growth would be based ever more heavily on technical and scientific knowledge" (p. 25). In the policy texts of the World Bank, the OECD and the IMF and in Russian policy documents, globalization was considered to be an unquestionable reality leading to economic growth and prosperity. Based on this proposition, the role of governments would be to create legal-normative, financial, human capital, and other conditions for successful competition in the "new global economy," which would undoubtedly result in economic progress, prosperity, and democracy.

The OECD's review of higher education in Russia also presented a list of recommendations that "point the true way forward to a better future" (1999, p. 12). Citing the worldwide trends effecting higher education around the globe, the OECD suggested that the role of public policy in most industrialized democracies be redefined in order to adequately address common challenges. The change (in both the university and other sectors) should be away from centralized state control and financing towards greater decentralization, devolution, and the diversification of both the providers and sources of financing. In higher education policy, the shift should be decidedly toward reliance upon market influences. Once again, globalization and change were regarded as axiomatic and universal in time and space. Whatever the specific national context, nation-states were facing similar challenges and, therefore, should address them by using the experience of others.

One of the leitmotifs running through the policies adopted since 2000 was the installment of market relations of competition in higher education, as the way to increase its efficiency, accountability, quality, and control. The notion of "money follows the student" was an example of an application of market competition in higher education where universities were supposed to compete with each other for the best students, who would bring with them more GIFO (voucher) money. Competition for government grants among institutions and academics also meant to increase flexibility, responsiveness to consumers, and rates of innovation. University-business links were heavily promoted through the national project "Education," which encouraged entrepreneurs' participation in higher education. At present, the examples of university-business partnerships are widely publicized in the Russian press.

The notions of the "market economy," "consumer" and "market demands," "competition," and "capital," which were once associated with the capitalist societies, and therefore during the Soviet years had negative connotations, were accepted and found their places in Russia's political discourse, which spilled over to other types of public discourses. Just as the term "perestroika" entered the world vocabulary, signifying the radical political and economic transformation of the Soviet state in the 1980s, this new policy discourse has become one of the mechanisms for altering linguistic exchanges in society and transforming Russia's Socialist welfare mentality into a more neo-liberal one. In the Russian government's proposed modernization programs competition and finance-driven reforms are at the center of the current education policies.

The human capital ideas circulating in the World Bank's and the OECD's policies were also picked up by Russian policy makers and inserted into current educational policies. The World Bank's and OECD's approaches to education focused on the link between higher education and economic growth. At present, this link has become a paramount concern for the

Russian government who wants its country to be adequately prepared for a globally competitive economy. All Russian policy documents adopted during Putin's administration called for modernization of education to meet the competitive demands of the new global economy. For example, the opening paragraphs of the 2005 *Federal Program* stated that the main condition for strengthening the political and economic influence of Russia and the quality of life of Russian people lies in the country's international competitiveness (Government of the Russian Federation, 2005). Setting the stage for medium- and long-term reforms of Russian education, the text presented a number of arguments and assertions commonly found in the OECD's, the World Bank's, and the IMF's policies.

At present, the Russian education system is treated less a public good and more as an integral part of an economic sector, responsible for the creation of a skilled labor force and competitive advantage of a nation. From this perspective, the introduction of market principles in education is necessary in order to improve its quality and efficiency, to reduce costs, and to ensure accountability and responsiveness to consumer and market demands. Just as the 1990s policies were viewed as the "end of ideology," the newly adopted discourse is consistently viewed as being neutral. However, the distinct discourse markers such as "market," "efficiency," "competitiveness," "flexibility," "human capital," "fiscal reduction," "per capita funding," and "consumers and providers" (the list goes on) clearly reflect the preferred philosophical position, that of neo-liberalism. This discourse contributes to establishing new social relations between the state, individual and group, new forms of identity, and new societal values evident in the current Russian education policies.

This is not surprising, considering that social and economic policy in Russia has been regulated by the conditions imposed by the IMF and the World Bank as part of their loans and structural adjustment programs and by the OECD offered recommendations. Their recommendations were closely followed by the Russian policy makers who have implemented specific measures in higher education (e.g., standardized exams, GIFO vouchers) and formulated its education strategy within a context of globalized economy promoted by these global actors.

Summary

The analysis of the key policy issues expressed in the educational legislation in the 1990s suggested that the main policy perspective was consistent with welfare state policies, which emphasized the role of the state as "a provider of welfare services." The view of education as a public good essential in developing individual abilities and in promoting democracy and citizenship was reflected in the *Law on Education* (1992) and the *Federal Law on Higher and Postgraduate Professional Education* (1996). Having removed the Communist ideological component from the 1990s education policies, the government stressed its commitment to provide resources for higher education and to expand access to higher education by supporting students through extensive social programs (e.g., subsidized housing and services, and stipends). Most importantly, the government guaranteed tuition-free higher and graduate education to students admitted to institutions based on the results of competitive examinations.

In contrast, the policies adopted under President Putin's administration shifted the focus of educational policy towards the improvement of Russia's competitive edge in the global economy. Since 2000, the government has been emphasizing the role of higher education in advancing Russia's economy and providing effective "human capital" and a skilled workforce able to compete nationally and globally. The state has changed its role of "a welfare provider" to becoming "a facilitator," "a coordinator," and "an enabler" of social policy. Instead of continuing its full public provision for higher education, the government has been implementing new market mechanisms in educational provision and financing to ensure the sector's efficiency and responsiveness to market demands and responding to the recommendations/conditions of the OECD, the World Bank, and the IMF.

The analysis of the laws adopted during Yeltsin's administration and the policies of the Putin government showed that the two sets of policies had different underlying assumptions and ideological positions. The 1990s legislation corresponded to the welfare state policy perspective, which emphasized social protection and promoted the humanization and democratization of education and society. The policy texts adopted after 2000 differed significantly from the 1990s legislation in both the substance of the reforms and the dominant discourse. The 2000 educational modernization policies defined higher education's role in terms of its contribution to the country's global economic competitiveness. The emphasis on competitiveness, efficiency, and market mechanisms signified a sharp break from the previous policy model and a definite move toward the neo-liberal policy perspective. Current educational policies have been framed in terms of the dominant neo-liberal discourses of accountability, efficiency and effectiveness that emerged in Western countries' educational and social policies in the 1980s and 1990s and were spread by the global policy actors.

The policy perspective expressed in Putin's proposals resonates with the policies and recommendations promoted by the World Bank, the OECD, and the IMF, who have consistently argued for the reduced role of the state in social and higher education provision and for the introduction of market mechanisms into social realms. The Russian government has clearly chosen the role of a regulator and a facilitator (as advocated by the global actors) instead of continuing its role of a provider and a funder. Many statements and assumptions appearing in Russian policy texts bear a strong resemblance to those found in the World Bank and the OECD policies. In particular, notions of "economic growth," "competition," "human capital," "the market economy," "effectiveness," "efficiency," "labor markets," "consumer choice," and "the knowledge-based economy," commonly used in the World Bank's and the OECD's policy texts, were used throughout Russian policy documents. The existence of similar globalization pressures and new economic order and human capital assertions are common themes running through Russian and global actors' policy texts. In connection with this, Marginson and Rhoades (2002) pointed out the striking commonalties among the higher education policies promoted by the World Bank in the developing world and the policies promoted by the European Union and other entities in the industrialized world. Having abandoned their Socialist state ideology, Russian political leaders adopted a fairly new (to Russia) discourse of human capital and market, which is now popularized through their official texts and the mass media. The most recent policy documents (e.g., *Doctrine*, *Concept* and *Federal Program*) are remarkably different from the education laws adopted in the 1990s. While equity goals, social mobility and citizenship were cited in educational policies adopted after 2000, the balance has clearly shifted towards economic and global market concerns.

Most important of all, social policy developments, particularly in the higher education sector, demonstrate a fundamental paradigm shift from a welfare state model towards a neo-liberal state model. Considering that the IMF, the World Bank, and the OECD represent a powerful force in reframing the social and educational policy directions on a global scale, it is not surprising to see neo-liberal tendencies in the Russian social and education policy. The current policy discourse and the institutionalization of the market mechanisms in higher education may suggest that the Putin government embraced neo-liberal market values. However, whether the shift from the welfare state policy perspective to the neo-liberal commitment to the market economy is a genuine ideological change or a pragmatic response to external and internal pressures remains unclear.

CHAPTER 7

DISCUSSION OF THE FINDINGS

The purpose of this chapter is to discuss the study's significant findings in light of the existing literature on higher education restructuring, globalization, welfare and neo-liberal policies and to address the research questions posed in the study. In the first part of the chapter, I focus on the policy processes in Russian higher education and identify the paths of influence through which the IMF, the World Bank and the OECD shape educational policy in Russia. Then, I discuss the relation between policy discourses of the international agencies and the Russian government and the implications of these policy discourses for Russian education and society. And finally, I provide the summary of the findings.

Policy Processes in Russian Higher Education

For the past two decades, Russian higher education has experienced major changes that were first brought by perestroika and then by the need to align educational policies with the global developments in the field.

During the first phase of the changes in higher education, the government rid the curriculum of the ideological ballast of the previous era, citing the need to make the system more open, individual-centered, and humanized. Unlike some of the proposed Russian educational plans that emphasized a utilitarian (economic) rationale for reform, the 1990s policies emphasized humanism and personality. The education program represented a "human capital" approach in the best sense of that term (Balzer, 1994). The humanistic and "personality" focus of the higher education reform program emerged clearly from its listing of the negative consequences that might be expected if the prevailing "ineffective" system of higher education were permitted to remain unchanged. The loss of democratic development due to inadequate legal, economic, and political education; the marginalization of certain groups in the population, the nation's concomitant inability to compete effectively in the global economy; and the loss of the Russian people's rich humanitarian culture were cited examples of negative consequences (p. 31). Similarly, Zajda (2005) stated that the ideas of democracy, humanization and individuation became the three popular slogans of post-Soviet reforms.

The post-Soviet state policies were reflected in the two, previously discussed, education laws adopted during Yeltsin's administration. The thrust towards decentralization and the autonomy rights given to educational institutions were seen as a way to establish fundamentally different relations between the center and regions, and to make education relevant to the needs of the transition society. In the early 1990s, the Russian government continued to formulate its policies in accordance with welfare social policies, providing extensive guarantees to individuals involved in the higher education sector. The access to state's higher education institutions was guaranteed to be tuition-free, although on a competitive basis, and the financing was to be provided from the federal and local budgets. As Rust and Jacob (2005) pointed out, the new education reform rhetoric was not economics- or politics-driven. Although each individual was recognized as being located in social and economic spaces, and educational reform was perceived to be by its very nature a political process, the concepts on which the 1990s reform was based were lodged in the rhetoric prior to the political and economic realities of today's Russia (p. 243).

However, economic pressures deeply compromised the new efforts in every area of general and higher education. With the continuing macroeconomic crisis, public funding for higher education was significantly reduced, whereas the private costs of higher education continued to rise. Similarly, Bucur and Eklof (2003) noted that Russia had been on a wobbly path since the collapse of the economy in 1998. Only recently, having recovered from the collapse, did the government turn its attention to education. This interest is associated with the strategic programs adopted by Putin's government since the year 2000.

The Putin government's education agenda expressed in the *Doctrine* and modernization *Concept* unified several major policy initiatives in general and higher education. The modernization program was meant to enhance efficiency, quality, and access to higher education by restructuring admission policies, establishing a new higher education financing framework ("money follows the student"), and harmonizing the education procedures and degrees in accordance with the Bologna Declaration.

The adoption of the new policy discourse in education defined a shift in the government's approach to education policy. Concerns about humanization, democratization, and the role of higher education in societal transformation were replaced by concerns about global competitiveness and global success. The new reform rhetoric was clearly market-economy driven. Rust and Jacob (2005) pointed out that contrary to the historical reform policies, which had concentrated on cultural integration and social welfare, in the past two decades, free market values began to pervade educational reforms throughout the world. For example, Russia's PM Fradkov (2004) stated that Russian higher education should contribute to increasing the Russian state's economic competitiveness. Thus, if the 1990s education reforms in Russia were precipitated by the society's historical transformation, the later education modernization was prompted by an entirely different agenda.

The Invisible Hand of Globalization

The analysis of the policy documents adopted during the 1990s suggested that education policies were inward oriented in character. They were designed to improve the situation in education by changing education content, establishing autonomy and academic freedom, and were centered mainly on education system's internal problems. Contrary to these policies, the policies adopted after 2000 stressed the importance of education for the country's ability to compete on the global market and could be regarded as outward oriented. Why did such a shift occur? Why did the Russian government change its welfare policies and rhetoric to those of the market and competition? To understand the production of education policy within the individual nation-state context, we must understand the origins and determine the influences of this policy in relation to the social, cultural, political and economic forces that transcend the context of this policy's national production (Olssen et al., 2004).

One of the major themes that emerged on the Russian education policy landscape during the past several years was globalization and the new economic order. In fact, the Russian authorities articulated their education modernization program within the globalized economy framework. Responding to the perceived challenges posed by globalization, the government argued for a distinctly new approach to the social and educational policies. The head of president Putin's strategic team, German Gref, stated that the government's goal would be to create "a market economy with a social face" (Gref, 2000, p. 6).

The invisible hand of globalization might appear to have been directing governments to implement policies that would allow countries to successfully compete in the global market by increasing their human capital, reducing public spending on education, and making more efficient use of resources. Very often, globalization is portrayed as an impersonal and, therefore, uncontrollable process that, like the hand of an invisible conductor, guides policy makers to play a particular "tune." However, as some researchers have argued (e.g., Carnoy, 1999; Henry et al., 2001; Olssen et al., 2004), what is supposed to be an "inevitable" market-driven global order is, in fact, the product of public policy shaped by influential global actors pursuing the neo-liberal project. The "invisible hand" explanation may be a convenient description of the emergence of particular trends in higher education policy in Russia, but will never convince a critically thinking individual.

Paths of Influence

The emergence and spread of the neo-liberal interpretation of globalization is often associated with the policies of the World Bank, the OECD, and the IMF, which, after the end of the Cold War and the dissolution of the Socialist coalition, have been active in Eastern European and former Soviet Union countries. These agencies possess considerable economic and symbolic capital and have been known for their involvement in restructuring economic and social sectors in developing countries and, more recently, in the transition economies. Their involvement in restructuring the Russian economy and the social sector had a significant impact on the direction of higher education reform as well. The fact that a great degree of policy convergence is found in seemingly different education systems cannot be attributed to only the pressures of globalization. The IMF, the World Bank and the OECD have been actively promoting economic globalization through their policies and policy-contingent loans, which they often refer to as "aid." For example, the World Bank and the IMF pressured governments to implement austerity programs and introduce market rules in the public sector in order to receive loans. Specifically, the IMF and the World Bank loans required national governments to reduce public expenditure, reduce consumer subsidies (to reduce government spending and stimulate exports), charge users for public services, privatize public enterprises and social services, and accomplish institutional reforms necessary to implement those services. These agencies are known around the world for their structural adjustment policies (SAPs), which were recently criticized for their failure to produce the promised economic and social recovery in some Latin-American countries (Carnoy, 1999). Similar criticism was directed at the IMF and the World Bank interventions in Russia. The leitmotifs of their policies were austerity, budget cuts, and deflation, with little regard for the social consequences (Reddaway & Glinski, 2001). Through their lending policies, the global actors continue to pressure governments to cut their expenditures on health, education and other welfare provisions, and at the same time to introduce user fees in higher education and to privatize public enterprises.

Coercive Pressures

Much of the influence of the IMF and the World Bank could be regarded as coercive pressure because a government's dependence on their loans and technical assistance forces it to accept "the agreed-upon" conditions or the structural adjustment policies based on budget cuts and pro-market reforms. These organizations have consistently been described as holding coercive power over the countries in need of funding (e.g., Brock-Utne, 2002; Carnoy, 1999; Rhoads et al., 2005; Torres, 2003). For example, Brock-Utne (2002) argued that directed by Western interests, the World Bank and the IMF were using their creditor powers to pressure the collapsing republics of the former Soviet Union to turn their battered economies into unrestricted markets. Similarly, Dale (2000) argued that the structural adjustment programs imposed by the World Bank and the IMF frequently required countries to alter the emphasis they were putting on education and especially on how it was funded, even though the changes demanded would have major implications for educational access.

According to Samoff (2003), as the reliance on foreign funds increases, so does the influence of both the external agencies and the finance ministry. In Russia, the current Minister of Economic Development and Commerce, German Gref, was one of the masterminds of the education modernization strategy, which was unofficially named after him ("Gref's program"). Consequently, the government is formulating its strategies for the public/education sector under pressure from the international lending organizations, which demand further economic liberalization and commercialization of education. Gref's 2000 announcement that the government would discontinue the institutional financing of the state higher education institutions in the near future presents a perfect example of how the agendas flow from the external agencies, which insist on cutting public expenditure in social sectors, via government policies to higher education. Within the education sector, the global actors' over-riding neo-liberal ideology led to the restructuring of education along entrepreneurial lines. According to this principle, the government should more efficiently use inputs (teachers, texts, and tests) and introduce privatization and choice, seemingly to increase competition and efficiency. This principle also implies a greater reliance on cost recovery through tuition fees and entrepreneurial activities. Schugurensky (2003) noted that the influence of international agencies and financial institutions on higher education policy is an important element to consider when studying the changes in the university system.

However, financial levers are not the only means employed by the international actors to exert their power over education policies. Although Vaganov (2002) stated that without the World Bank's loans, the Russian government would not have been able to launch its education modernization, the World Bank's lending portfolio in Russia is significantly smaller than that in other countries, including Chile, Brazil, and China (World Bank, 1999). In fact, the World Bank has been trying to establish itself as a "knowledge" bank, "able to generate, synthesize, disseminate and share global knowledge to get local results and provide high-quality advice to clients" (World Bank, 1999, p. xi).

Agenda Setting

Agenda setting, data collecting, conferences and workshops, studies and consulting, recommendations and dissemination of "lessons of experience" are also major activities of the international agencies, particularly the OECD and the World Bank. Unlike financial institutions (the IMF and the World Bank), the OECD exerts its influence through these non-financial means. Papadopoulos (1994) acknowledged that the OECD's influence on national developments derives not so much from the generation of new ideas by the Organization itself as from its ability to pick up new ideas, develop their potential for implementation, and then bring them to bear on national policy agendas. These ideas are selected from research and political stances in the countries: "Free of executive responsibilities in this field, the OECD was all the more equipped to exercise this catalytic and integrative function without which a number of developments in the countries would at least have taken much longer to occur" (p. 203). Thus, in its educational work, the OECD is not a mere reviewing and consulting agency; it is a catalyst for change.

Together with the World Bank, the OECD disseminates its policies, ideas and Western universal norms through conferences and publications. Researchers (Henry et al., 2000; Kwiek, 2001) have argued that these organizations have played a significant role in articulating and spreading views pervasive in their neo-liberalism and new managerialism. Through their aid, advice and "lessons of experience," these actors inevitably introduce their ideological agenda into national policy making. Considering their role in framing educational policy direction around the world, it is not surprising that the recent Russian education strategy was designed on an entirely different ideological platform from that of the 1990s. The shift toward a neo-liberal policy perspective was a response to the conditionalities and recommendations of the IMF, the OECD, and the World Bank.

Discursive Interventions

The influence of the international financial institutions on the Russian economy is an established fact. The 1998 currency default and the situation in the social sector are often blamed on the advice of the IMF economists, who even today continue their hard line in regards to monetary "relaxation" (IMF, 2005). The IMF's official interventions in Russian affairs are also considered controversial (Reddaway & Glinski, 2001). However, the most powerful paths of influence could be the least visible ones. Samoff (2003) argued that while it can be easy to identify the influences imposed by the global agencies through the conditions of their loans, "policy directions" and "recommendations," it would be more difficult to detect and resist the influences imbedded in conceptions of education that seem so ordinary that we take them for granted. The analytical frameworks and discourses disseminated by the global actors, such as the World Bank and the OECD, seem so obvious and common sensical that we often accept them without critical scrutiny.

Researchers (e.g., Fairclough, 2001; Henry et al., 2001) argued that national social policies were being increasingly affected by the policy frameworks of the supranational agencies, which are key articulators of a predominantly neo-liberal reading of globalization. The educational ideas of international agencies embedded within their policy agendas consistently stress the necessity to restructure education systems to meet the demands of the global economy.

The analysis of the policy documents of the World Bank, the OECD, and the IMF showed that their policies were framed within a neo-liberal economic discourse. The unifying themes in their policies were the representations of change in the "global economy" and the urgent need for economic and social restructuring to meet the challenges of global competition. Presented as inevitable and irresistible, the change requires nation-states to reconsider and reorganize their economic and social relations. The government's role is to provide the necessary conditions (financial, legal, and so on) for successful competition in the "new global economy," which is regarded as a given. The ideas of the "new global economy" and "knowledge-based economy" promoted by the OECD and the World Bank also ran through the recent educational policies in Russia, where the neo-liberal discourse dominates the proposed education strategy rhetoric. This discourse, disseminated by the IMF, the World Bank and the OECD, is evident in the key words and phrases, including "free trade," "transparency," "flexibility," "cost sharing," and "reduced public expenditure," and "human capital." These examples reflect the ideological stance taken by the international agencies. The existence of the "new global economy" is imposed, extended and legitimized by these powerful actors through their policy discourse. According to Sidhu (2006), discourse – the sets of embedded and naturalized frameworks of understanding – defines what is socially acceptable and desirable. Similarly, Fairclough (2005) argued that in contemporary societies, the discourses or knowledges generated by expert systems enter our everyday lives and shape the way we live them. For example, in the new global economy advocated by the OECD and the World Bank, the development of human capital is regarded as an essential component for a nation's prosperity. Both the OECD and the World Bank argued that investments in developing human resources would allow countries to compete globally. Researchers have pointed out the role of these organizations in legitimating the conception of education as a producer of human capital (e.g., Fairclough, 2005; Henry et al., 2001; Jones, 1998; Samoff, 2003; Torres, 2003). These organizations have been disseminating their educational ideas through various vehicles, including books and reports, academic research papers and conference proceedings, expert meetings and government conferences, and, in more recent years, through their web sites. Although definitely different in their structures and activities, the World Bank and the OECD have similar ideological stances regarding education policies. In them, the neo-liberal discourse of economic globalization, accountability, competition, efficiency and effectiveness has a major effect on shaping the ways in which educational resources are allocated and measured. In combination with the enhanced globalization of the world's economy and the post-Cold War context, the apparent global dominance of neo-liberal ideologies has weakened the policy options of nation-states. As a result, in many countries, including Russia, educational policies have been reframed by the new policy consensus resulting from the combination of globalization and neo-liberal ideology (Henry et al., 2001). According to Ball (1998), in education and social policy, generally, the new orthodoxy, the market solution, has become a new master narrative, constructing the topics, strategies and forms of response. This new neo-liberal orthodoxy is disseminated and institutionalized through the policies of the global agencies. It also functions as a discursive framework which legitimates particular policy solutions and at the same time renders previous policies as "unthinkable" and "unaffordable." Similarly, Giroux (2004) argued that the neo-liberal discourse offers no critical vocabulary to challenge the basic assumptions of corporate ideology and its social consequences to societies.

Thus, the global agencies' preconditions, policy solutions, and recommendations for the social sector in general and education in particular can be understood only as an ideological stance helping to promote an integrated world economic system along market lines (Jones, 1998). Using the human capital and globalization theories as their intellectual backup, international agencies champion public austerity and the reduced role of the government in the provision of higher education and policy as the only viable options. These agencies' language is not neutral, but rather, like all languages, represents symbolic elements related to values, beliefs and ideology. To understand the multilateral agencies' policies, one should read between the lines. Although not explicitly stated, the standpoints of the IMF, the World Bank, and the OECD formulated in their approaches to social and educational policies are consistent with the philosophies of neo-liberalism. These philosophies constitute the central planks in these global agencies' economic and social policies (Olssen et al., 2004).

While the precise impact of the IMF, the World Bank, and the OECD on Russian higher education is difficult to assess at this time, their role in shaping social and educational policies is significant. Schugurensky (2003) argued that these organizations have great coercive power over nations in need of funding, and that this power is exerted through structural adjustment policies as well as agenda setting. Perhaps one of the most important influences is the one that is least visible but potentially more enduring. This influence stems from the global actors' analytic frameworks and conceptions of education. For example, Henry et al. (2001) suggested that the OECD exerts influence over the educational policy-making processes of nation-states through reinforcing its largely instrumentalist view of education as means for preparing students for the global economy, in which neo-liberal and corporate managerialist ideologies are dominant. Although imposed conditions can be rigid and painful, they are usually explicit and clear and, therefore, can be challenged (Samoff, 2003). The discursive interventions are more difficult to detect and confront as they are presented as axiomatic and are usually taken for granted.

Policy Convergence

Enacted Policies

The analysis of the current modernization of Russian education suggested the considerable degree of convergence between the recommendations and policy directions provided by the international agencies and the specific steps adopted by the Russian government. The so-called "three pillars" of educational modernization, as they are referred to in the Russian press, the Unified State Examination (USE), the new higher education financing scheme (GIFOs), and the implementation of the Bologna Declaration, coincide with the recommendations of the World Bank and the OECD. While some of the recommendations were implemented, others were not. For example, the OECD recommendations in regards to improving the institutional infrastructure and raising academic salaries were not addressed comprehensively. The fact that salaries of academic staff in Russia remain rather low could be explained by the macroeconomic policies of the IMF, which frequently cautions the Russian government against using oil revenues for the social sector and salaries.

The introduction of market mechanisms and new models of educational financing constituting the core of education modernization policy pointed to a definite shift in the direction of reforms. In 2004, the government amended the *Law on Education* to allow unrestricted admission of fee-paying students to specializations such as "jurisprudence," "management," and "state and municipal administration." As some government officials noted, this change was just the beginning of the privatization of higher education.

The government's response to the SAPs and the recommendation of the IMF, the World Bank and the OECD seemed to have honored the suggestions that were in line with the finance-driven reforms. Carnoy (1999) argued that the approach that governments take in educational reform and, hence, their educational response to globalization, depends on three key factors: (a) the *objective* financial situation, (b) the governments' *interpretation* of that situation, and (c) their *ideological* position regarding the role of the public sector in education. All of these three elements are expressed through how countries "structurally adjust" their economies to the new globalized environment (p. 47). While the first two factors are very important to consider in implementing education reforms, the last one, the ideological position, is truly crucial for what governments make of their education system.

Translating from "Soviet" to "Neo-liberal"

One of this study's major themes is that in the past several years, globalization and the neo-liberal discourse infiltrated Russian education policies. The educational modernization course adopted by Putin's administration was articulated in terms of the globalization framework advocated by the global agencies. The extensive use of notions of "competitive economy," "human capital," "services," "goods," as well as the application of an instrumental logic indicates that the neo-liberal market discourse has recently replaced the previous Socialist discourse in Russia.

According to Olssen et al. (2004) policy documents express and reflect structural realities and perform certain functions of legitimation by establishing a political consensus. For example, in the 1990s, Russian educational policies reflected the democratization and humanization course pursued by the state. After the 1998 economic crisis, the welfare state shrank, and the neo-liberal policy framework ascended in Russia. The application of the concept of "discourse" was helpful in conceptualizing and understanding the relations between the policy texts of the Putin government and the wider relations between the state and social structures. Considering that educational policies are a discourse of the state, they inevitably reflect its political stances and ideologies. They must be understood as "part and parcel of the political structure of society and as a form of political action" (p. 71).

The goals defined in the current education strategy were consistent with those of the global agencies, which framed their educational policies in terms of the new global economy, human capital, efficiency and accountability, which are characteristic of the neo-liberal market ideology. According to it, education is the key to the future prosperity of nation-states. Using a human capital theory, which stresses the importance of a skilled, flexible and mobile labor force for the global economy, the World Bank and the OECD are arguing for the development of education as a competitive advantage of nations. The new human capital approach is also used to redefine higher education as an individual good, as opposed to the previous view of education (especially in Russia) as a public good. This new approach justifies the principle of user fees in higher education, a principle which is becoming more prevalent in the current Russian policies. The results of such policies are seen in every public university across the country. Everywhere, the fee-paying students have replaced those enrolled with merit-based stipends. Previously, higher education was paid for by the federal budget, but now, fewer that half of all students receive state stipends, and tuition has become an "essential part of public institutions" (Bucur & Eklof, 2003, p. 403). This tendency will likely continue since neo-liberal market discourses have replaced the government welfare discourse.

In recent years, the discourses of business and economics became prominent in Russian education policy discourse, signifying a radically different approach to financing, evaluating educational performance, and establishing standards. For example, the Russian government has consistently stated that its financing of higher educational institutions will be based on the quality and amount of educational services that the universities offer to the consumers of these services. The official belief is that high quality and efficiency will be possible in education only by introducing the economic mechanisms based on the new principles of financing. Consequently, from this point of view, academic salaries should be based on teaching quality and results; the universities should be subjected to uniform evaluation and rating, and the role of business in education should be further expanded and strengthened. At the same time, higher education should become more flexible and responsive to the needs of the market. Within this framework, the privatization of education is an acceptable way to provide better educational financing. These examples of business and economic principles have emerged in Russian education policies since the late 1990s. The redefinition of educational goals and the role assigned to education is discernible not only in the education policy language but also in the concrete measures adopted by the Russian government.

The World Bank and the OECD are active promoters of a vision of higher educational institutions as economic units. The Bank's insistence on the introduction of quasi-market mechanisms is evident in its conditions and recommendations for making public higher educational institutions more like corporations and for instituting cost-recovery measures by transferring the costs to students and their families. The OECD review team proposed amending the Constitution of the Russian Federation to eliminate any contradiction between the law guaranteeing free higher education and education policies concerning student tuition fees. The World Bank economists have explicitly argued that for "efficiency" and "equity" reasons, user fees should account a much greater proportion of total financing at the higher education level than they account for currently. Modern Russian reformers constantly stress that free higher education is a notion of the past, and that Russia should restructure its system by using the Western experience. Russia's education minister also confirmed that in the near future, the government would support only a limited number of students, primarily those from low-income families, geographically remote regions, or with disabilities (Fursenko, 2005). Thus, the institutionalization of the "user-pays" principle in Russian higher education has become inevitable.

In current Russian educational policies, the education system's importance is defined in terms of its role in securing the country's place among the world leading nations. Policy makers assume that if the country can adjust its education system, then the existing economic and social problems will be successfully resolved. In order to fulfill the goals assigned to education, the sector has to be modernized in the context of the existing global tendencies. Outlining these tendencies in the *Concept*, Russian policy makers presented them as a given. The process of educational change is perceived to be happening universally in the leading industrialized countries and transition economies. Since education reforms are underway in the OECD countries and other regions (e.g., Eastern Europe, Latin America) Russia too must follow suit. If other countries are structurally adjusting their educational systems to enhance efficiency and productivity, for example, similar policies should be developed and implemented in Russia.

The education reforms in many OECD countries were implemented in accordance with the prevailing market and neo-liberal ideology (Henry et al., 2001; Kogan, Bauer, Bleiklie, & Henkel, 2000). Consequently, one may assume that given the involvement of the IMF, the World Bank, and the OECD in Russian education and their ideological position, Russian policy makers designed education reforms by using a similar perspective. According to Fairclough (2003), the increasing consensus within the political mainstream that neo-liberal globalization is a fact of life, which nations have to accept in order to succeed, significantly limits the space for political debate on issues of substance. Influenced by the globalization thesis, the government might ask why it should waste time debating whether or not the proposed policies would improve higher education, when Russia can simply borrow policies from successful powerful others. What have these others done? They have long ago subscribed to neo-liberal policies which led to reductions in state subsidies to higher education, the costs shifted to the market and the consumer, demands for accountability for performance, and an emphasis on the economic role of higher education (Neave & Van Vught, 1991).

Being a part of the global community, Russia is experiencing pressures similar to those often attributed to economic globalization. A logical way to reform its education system is to follow the example set by the leading OECD countries. Russia's new educational plan takes into account the international agenda and the global educational trends reiterated in the World Bank's, OECD's, and UNESCO's reports. In the view of Russian policy makers, the transition to the post-industrial information society, the emergence of global challenges, sustained economic growth, competition, and the reduction of the unskilled labor force call for profound changes in the system of education (Isakov, 2003).

The "new global economy" agenda imposed by the authoritative international agencies was extended and legitimized by national governments through their policies. By the beginning of the new millennium, the purposes of higher education were defined primarily in terms of national competitiveness in the context of a global economy. Universities and academics are expected now to collaborate with businesses and industries to meet their educational and research needs. Students should be equipped with skills that will allow them to be more flexible in the labor markets of knowledge societies. Fairclough (2001) argued that neo-liberal economic discourses were intentionally disseminated and imposed by organizations like the International Monetary Fund, the World Bank, and the World Trade Organization so that they could pursue their neo-liberal projects. Many examples can be found in policy texts, in which changes in the global economy were represented as inevitable and uncontrollable, and, which stated, therefore, that nation-states should be encouraged to adapt to them and learn how to live with them. In commenting on neo-liberalism, Bourdieu (1998) stressed that its discourses were a significant part of the resources that the dominant global actors deployed in pursuing their neo-liberal agenda. The neo-liberal discourse is not just one discourse among many; it is a "strong discourse":

> It is so strong and so hard to combat only because it has on its side all of the forces of a world relations of forces, a world that contributes to making it what it is. It [neo-liberal discourse] does this most notably by orienting the economic choices of those who dominate economic relationships. It thus adds its own symbolic force to these relations of forces. (p. 2)

This neo-liberal discourse of the powerful global actors has already been inserted into the Russian political discourse. Combining its specific government and political language with the neo-liberal discourse, the government acts as "an interpreter" trying to find the perfect fit for this discourse in the Russian context. The government interprets and recontextualizes this neo-liberal discourse to suit the country's specific environment and then incorporates the discourse into political rhetoric and the proposed education policies. As a result, government-enacted policies; political, economic, and educational texts; and the mass media speak the "neo-liberal" language today.

Walking the Talk

Historical and present conditions influenced the direction of educational modernization and the Russian government's choice of policy instruments and measures in recent years. However, in the context of the pressures exerted by the global organizations, the Russian government is not coerced into the liberal-market restructuring, but is an active participant in and interpreter of neo-liberalism, which otherwise would be unknown to the public. The analysis of the Russian policy documents and enacted policies showed that the government was rather selective in choosing what policy recommendations to pursue and what to ignore. For example, the three projects launched within the modernization strategy would allow for a relatively fast and more visible transformation of the education sector. The introduction of market mechanisms of financing (e.g., "money follows the student" and GIFOs) would surely appease the IMF and the World Bank. The introduction of a single examination for schools and higher educational institutions would respond to the OECD's and the World Bank's criticism. The university restructuring in accordance with the Bologna process would satisfy, among others, the OECD and UNESCO and ensure a place for Russian higher education in the global market of educational services. Thus, all of the chosen measures were designed to bring external recognition and visibility to the government's efforts.

Meanwhile, other policy recommendations prescribed by the OECD and the World Bank were either ignored or postponed. For example, both the World Bank and the OECD made a number of recommendations regarding education loans, academic and teacher salaries, energy-efficient construction, necessary infrastructure maintenance and other practical suggestions to ensure access to higher education and better use of limited funding. However, these aspects were either excluded from the policy agenda or addressed piecemeal. One may conclude that internal matters of higher education were the least important for the politicians, who seemed to favor policies that were externally oriented. Educational policies oriented to the global market economy stemmed from the Putin government's strong focus on the global economic competitiveness of Russia. The Russian politicians consistently stated their desire to join the World Trade Organization and to strengthen the country's political and economic role at the global level (Government of the Russian Federation, 2005). Obviously, the perceived global economic competition made the Russian policy makers focus on designing economic strategies that would improve Russia's global competitiveness at the expense of policies that would improve social welfare and education. Within this rather pragmatic and explicitly market-oriented framework, education is but one element in the quest for the global economic competitiveness. This conclusion is in line with Carnoy's (1999) suggestion that globalization (not the invisible hand of it, of course) forced nation-states to focus more on acting as economic-growth promoters of their national economies than as protectors of the public sector and the national identity. However, considering that globalization is not an impersonal process (as some try to portray it), individual nation-states must prioritize their national policies. At this point in time, the choices made by the Russian government indicate the domination of external economic concerns over internal welfare provision.

From *Homo Sovieticus* to *Homo Economicus*

The policy recommendations of the OECD, the IMF, and the World Bank are based primarily on the assumption that regardless of previous and present differences, every country should embrace the market logic as the only true way of existence. Samoff (2003) argued that the market triumphalism, underpinned by the neo-liberal ideology, made the choice rather obvious, especially after the dissolution of the Socialist coalition and the collapse of the Soviet Union, which were interpreted as the definitive victory of Capitalism over Socialism, and of the market over central planning. The global organizations are spreading the belief in the market as an organizing principle for all political, economic, and social decisions. Bourdieu (1998) argued that according to the dominant neo-liberal discourse, the economic world is a pure, perfect and predictable order, which, if violated, can be regulated by the sanctions imposed by the IMF or the OECD:

> Neo-liberalism tends on the whole to favour severing the economy from social realities and thereby constructing, in reality, an economic system conforming to its description of pure theory, that is a sort of logical machine that presents itself as a chain of constraints regulating economic agents. (p. 3)

Presenting the free market economy as the most logical and promising way to a better future, in which everyone would equally enjoy the benefits of the market, the global actors spread "the corporate capitalist fairytale of Neo-liberalism" around the world (Giroux, 2004, p. 12).

Within this new economic paradigm, powerful global agencies and nations' interest groups are restructuring their education systems. Schugurensky (2003) argued that the scope and the depth of university restructuring throughout the world, with the adoption of similar ideologies and policies, could not be simply attributed to general disaffection with higher education. Restructuring is neither an inevitable nor an impersonal process, but the product of a double process of consensus and coercion carried out by concrete social actors.

In Russia, like in many other countries, the on-going institutionalization of the neo-liberal policy discourse accompanied by the pressures from supranational organizations is driving higher education reforms. Education is considered as a private consumption or investment rather than an inalienable right and public good. The language that centers on user fees, labor market demands, human capital, rational choice, per capita funding, and rates of economic return becomes increasingly hegemonic, and the commercial model becomes paradigmatic (Olssen et al., 2004: Schugurensky, 2003). Within the Russian education sector, the neo-liberal ideology and the triumph of the market and corporate capitalism led to university restructuring along entrepreneurial lines. As a result, the Russian university, as it was known for over 200 years, may soon be replaced by the new market-model university. Accepting the market as the driving force in university restructuring, the government is most likely to continue to move toward a U.S.-based model and to try to reshape social and economic relationships around it.

For years, educational researchers in Russia and abroad have cautioned against the blind application of Western models to Russian education, considering Russia's fundamental philosophical, cultural, and economic differences from the West. For example, Zajda (2005) noted that by accepting the Western model of education, Russia is moving away from its previously espoused egalitarianism to a more conservative and traditional schooling placing a far greater emphasis on the social reproduction, stratification and social hierarchy than on equality of educational opportunity. "Apart from the new hegemony in Russian education and society, there are now also visible signs of social divisions, defining the new and fast growing underclass and the rich" (p. 413). The poverty of increasingly large segments of Russian society could be attributed to the 1990s economic crises as well as to the dismantling of the welfare safety nets, demanded by the promoters of "the great neo-liberal utopia" (Bourdieu, 1998, p. 1). Affected by "the continental drift" of neo-liberalism, the species once known to the world as *Homo Sovieticus*, is transforming into *Homo Economicus*, the species better fit for survival in the global market economy.

Finding the Perfect Fit

Kukhtevich et al. (2002) argued that no matter how promising and attractive Western (or, more accurately, American) educational models are, the actual effect of their adoption is always determined by the extent to which people are ready to accept them. In this connection, the policy makers should reread some of Karl Marx's works, which seem to have been completely erased from their collective memory. They could usefully recall Marx's relations between the "base" ("foundation") and "superstructure," in reference to "a real foundation on which rises a legal and political superstructure and to which correspond definite forms of social consciousness" (Scott & Marshall, 2005, p. 31). Conventionally, the superstructure of society comprises its political and cultural (or ideological) realms, or hegemony and discourse. For more than 70 years of the Soviet Union's existence, the official political discourse emphasized proletariat hegemony and egalitarianism. The dominant ideology and discourse were those of Socialism/Communism, which was the foundation of economic and social policies in the USSR. Within the Socialist normative framework, humans have the potential to live cooperatively and equally, and economic and political systems should be structured to encourage communalism and equality (Gibbins & Youngman, 1996). The socio-economic (base) and ideological and cultural (superstructure) foundations of the Soviet Union were reflected in the extensive welfare programs available to people. During the past two decades, the people of Russia have been witnessing the dismantling of public services as public policy, largely due to the adopted structural adjustment policies and the neo-liberal ideology emanating from the international funding agencies. According to Marginson and Rhoades (2002), the World Bank's policies were premised on the existence of sufficient private wealth to enable higher education institutions to generate their own revenues.

For more than seven decades, a strong emphasis was placed on providing free public higher education, which was a part of the social contract defining the relationships between the state and the citizens. International agencies continue to push the government to decrease public support despite the country's historical commitment to free public higher education. At the same time, universities are obliged to transform instantaneously from fully funded budgetary state organizations into entrepreneurial-type public educational institutions (Beliakov et al., 1998).

As the public universities increasingly become framed by free market practices, the traditional sense of the public good linked to the collectivist values is shifting to more individualist interests (Rhoads et al., 2005). However, the neo-liberal assumptions concerning the nature of the individual, as "an economically self-interested subject," "rational optimizer," and "the best judge of his or her own interests" may not necessarily fit the profile of Russian citizens (Olssen et al., 2004; Olssen & Peters, 2005). Consequently, the policies premised on the neo-liberal philosophy may not be fully compatible with the social practice and values espoused by the society. Kempner and Jurema (2002) support this view, arguing that globalization policies are not culturally neutral, nor are the economic and social assumptions on which they are based necessarily associated with the social and political realities of the countries on which such ideas are imposed.

Thus, looking at the previous and modern socio-economic situation in Russia, one might conclude that the newly imposed "superstructure" cannot comfortably rest on the existing "base." For example, in order for the citizens to exercise their rights and choice in higher education, a befitting infrastructure that will allow them to do so should be put in place. If the Russian government insists on the introduction of the market mechanisms in higher education through charging tuition fees, the government should also implement concrete policies (create the "base") that would ensure access to higher education for everybody regardless of his or her socio-economic background. Considering that tuition fees in many popular universities and for some specializations exceed the combined annual income of most families, the national average wage in Russia is estimated at around US$ 200 per month (Bacon & Wyman, 2006), and that the number of budget-funded places is constantly decreasing, the access to higher education may become even more dependent on family wealth.

In defining the priorities of educational modernization, the government stressed its commitment to provide wide access to high-quality education. However, recent initiatives have raised serious concerns among educators in regards to this commitment. For example, the Chairman of the Duma's Committee on Education, Ivan Melnikov (2000), stated that the current reform aimed at the commercialization of education, rather than access and equality of opportunity. Moving away from tuition-free higher education was cited as one of the obstacles to ensuring access to higher education. The analysis of the Russian policy documents also indicated the absence of a clearly defined plan on how to meet the financial needs of prospective students. Although the establishment of some form of student loan or credit systems was mentioned in the 1992 *Law on Education*, concrete measures are yet to be seen.

At the same time, the government canceled the previously established limit on the admission of fee-paying students in the programs of jurisprudence, economics, and management. Considering that graduates with these specializations usually form the economic and political elite in the country, social stratification will likely continue to deepen. People from middle- and low-income families will have no chance of becoming a part of the economic and political elite (Smolin, 2003). This conclusion is consistent with the literature on the increasingly self-reproductive tendencies in Russian higher education. This literature described the social make-up of university students as being asymmetrical to the social structure of society with a very narrow social base of replenishment (Boiko, 2004; Buzgalin, 2001; Smolentseva, 1999). If in the mid-1990s, as many as 60 % of students came from families of professionals with university degrees, in the new millennium the number of students whose parents have high income and social status should be expected to increase further.

As the depth and pace of the university restructuring is contingent on the political economy and the historic traditions of each nation-state and each individual institution (Schugurensky, 2003), one of the most important tasks for the government is to match its educational policies with the existing politico-economic and social situation. For example, the appropriate legal and economic base should support the introduction of the market mechanisms in higher education. For instance, the government cannot guarantee equal access to higher education without establishing the necessary infrastructure. In designing social policies, including education policies, the government should consider the real financial capabilities of the population and broad societal opinion, especially when trying to impose "progress" and "modernization" from above. The government should also recognize that the proposed, and often imposed, models of the international agencies may not necessarily be compatible with the society's cultural values and historic traditions. As a recent study by the Russian and American sociologists suggested, young Russian people continued to espouse egalitarian values, traditionally characteristic of Russians' national political positions (Dobrynina & Kukhtevich, 2002, p. 43).

Thus, those trying to invent and construct a new economic and social order must ensure the fit between the "base" and the "superstructure." At this point, the analysis indicates a considerable mismatch between the government policy discourse and the socio-economic reality in Russia, which may result in devastating consequences, including physical and symbolic loss of the country's "human capital."

Globalization I versus Globalization II

As stated earlier in Chapter 3, some researchers (e.g., Knight, 2005; Olssen et al., 2004; Vidovich & Slee, 2001) distinguish between the "neutral" globalization and the one driven by a neo-liberal market ideology. In this study, the two types were referred to as Globalization I and Globalization II, respectively (Olssen et al., 2004). Globalization I is commonly related to the epochal transformation of the world economy and inter-national relations due to the developments in the communication systems, increased mobility, and the flow of technology, knowledge, people and, ideas across the borders (Knight & deWitt, 1997; Sidhu, 2006).

Globalization II is referred to as an economistic discourse actively promulgating a market ideology (Vidovich & Slee, 2001). In education, the effects of Globalization I are usually associated with the internationalization processes. In Europe, for example, the signing of the Bologna Declaration is the result of these processes. At the same time, university restructuring emerging from external pressures linked to economic globalization and the dismantling of the welfare state is attributed to Globalization II. Olssen et al. (2004) argued that the point of distinguishing between the two types of globalization is that neo-liberalism is structuring the character of the globalising processes that have already taken place.

The analysis of the policy documents of the international organizations and the Russian government suggests that current education policies were framed primarily within the Globalization II framework, which emphasizes the importance of education for the needs of global economy, the competitiveness of a nation, and market-model policy approaches. The adopted policies and measures were consistent with the neo-liberal economic discourses disseminated and imposed by the IMF, the World Bank and the OECD. The reference to higher education's role in promoting Russia's global economic competitiveness was prominent in the federal government's documents and reports. The direction of the education policies stemmed from the underlying assumptions of this type of globalization. Specifically, the government policies to install the market relations of competition as a way to increase productivity, accountability and control over higher education are associated with the neo-liberal reforms. In the proposed funding scheme, the institutions would have to compete for the best students both externally (among the institutions) and internally (among the departments). Within the neo-liberal framework, competition is invariably seen in purely positive terms as the means of increasing efficiency and effectiveness (Olssen et al., 2004). This argument has become very popular among Russian policy makers, who consider a market competition among universities the most promising way to improve the quality of educational services, to raise university prestige, and to increase academic salaries (Kuzminov, 2005).

Market mechanisms, "competitive neutrality" (Olssen et al., 2004), and reduction of public spending on education are major components of the ideological package pushed by the global agencies. The analysis of the policy documents suggests that they were grounded in the dominant neo-liberal paradigm, which severely limits the policy options available to the governments as it favors only particular socio-economic policies. Success in the global market of educational services presumably requires the application of the market mechanisms when restructuring education. Premised on the neo-liberal ideology, Globalization II rhetoric makes it easier for governments to justify even unpopular policies by appealing to laws of the market and common sense. "The neo-liberal project of globalization" propelled by global policy agencies such as the IMF and the World Bank has been dominating world policy forums at the expense of alternative accounts of globalization (Olssen & Peters, 2005, p. 330).

Considering the ideological underpinnings of Globalization II, which ultimately limit policy options and reduce the effectiveness of educational reforms, the government should move away from such a narrow interpretation of globalization (Globalization II), to a more encompassing one – Globalization I. This shift could potentially provide more options in terms of new ideas and ways to address education-related issues. As some researchers have argued (e.g., Carnoy, 1999; Olssen & Peters, 2005), we need to distinguish the "objective" conditions of the new global economy from a particular ideology that stresses reduced public spending on education among other social services and reflects the overall welfare state retrenchment.

The "objective" conditions of globalization make higher education important in the global economy, which is currently characterized as a "knowledge economy." Thus, the policy choices that the government makes in respect to education will be crucial to economic and social development both at the national and international levels. Recently, the Putin government recognized this aspect and decided to "return to education." The major reform announcement was that educational spending would become a national priority. Some analysts argued that, in contrast to decades of the Soviet practice, spending on education now outstripped spending on defense (Bacon & Wyman, 2006). However, even if the government started to deliver on its promises, it might take years to reverse the adverse effect of the chronic underfunding that has plagued education for over two decades.

According to Carnoy (1999), governments have much more political and financial space to condition the way globalization is brought into education than is usually admitted. Although countering the worldwide ideological trends spread and imposed by the global agencies might be difficult, individual countries must provide more equal access to schooling and to improve the quality of education. Thus, the government's "return to education" requires better organization of the public administration of education, as well as physical capital investments and technical capacity building.

As the quality of education depends largely upon teaching, more attention should be paid to the work conditions and wages in the education sector. Tomusk (1998) argued that it seemed ironic that the people who present market reforms as a matter of life or death deny university professors (and other teachers) the fruits of the market. Indeed, the faculty income in Russian public universities has remained low since the 1990s. In fact, the question of increasing the teachers' minimum wages was removed from the final version of the modernization strategy (Bucur & Eklof, 2003; Davydov, 2004). Despite recent measures to increase academic salaries, they neither match the economic reality of the country, nor do they reflect the government's announcements that academic salaries would be increased up to US$ 1,000 – 2,500 a month (Kuzminov, 2005). Low wages in the education and research sectors lead to an increasing brain drain, which has become a real problem in the past decades. In combination with the economic problems and low spending on education and science, the government policy on wages and salaries is one of the most important factors causing the emigration of intelligentsia (Naumova & Jones, 1998). Because globalization and the internationalization of higher education lead to increased student and academic mobility, the emigration of Russian professionals, academics and scientists is likely to increase and will severely undermine the country's intellectual potential. In 2010, when the Bologna process is implemented and Russian degrees and academic programs become fully aligned with those in European universities, the loss of professionals to the West may increase considerably. This possibility is yet another internal problem deserving immediate attention and requiring a comprehensive government plan since its effects, especially in the medium term, will compromise Russia's intellectual potential and ability to "compete in the knowledge-based economy." This conclusion corresponds to Carnoy's (1999) argument that a well-organized and efficient state apparatus regulating the "rules of the game" and implementing coherent economic and social policies attracts capital and high-skilled labor, while an inefficient state drives them away. Similarly, Buzgalin (2001) noted that for Russia to give herself a genuine competitive edge in education in the knowledge-intense world economy and to realize her greatest potential – the highest level of public education – she must take full advantage of the intellectual potential of the nation. In a post-industrial society, intellectual resources are the leading resources in a country, and the effective development of society depends on how efficiently they are mobilized.

Toward "Market Bolshevism"

Today, the market ideology, which has replaced the former Socialist/Communist ideology, is becoming increasingly dogmatic. Some analysts have referred to the rigid application of the market ideology as "market bolshevism" (Reddaway & Glinski, 2001) because of its resemblance to the ruthless annihilation of the Tsarist order during the first decades of the Soviet regime. Under the banner of globalization and market competition, the government is dismantling its welfare policies, which were the foundation of the previous Soviet state. Although the Bolshevik revolutionary song of building a new world on the ruins of the old one is no longer a popular tune, its distant echo is unmistakably distinguishable in the government policy approaches. As the market discourse came to dominate the policies and practices pursued by the Russian government, the long-standing social policies started to wither. The ideals of collectivity, social justice and human rights are being exchanged for key economic concepts, including efficiency, productivity, competitiveness, and profit. Zajda (1999; 2003) argued that the neo-liberal ideology, which redefined education as the investment in human capital, has influenced the thinking of policy makers in Russia. Today's Russian leaders have rejected state welfare state (state socialism) and have chosen to [neo]liberalize the economy and social spheres.

The 1990s were a decade of growing hegemonic neo-liberalism, which had been pushed by multilateral agencies and the most powerful states as the major global project for economic growth and development. Despite major setbacks in recent years (e.g., the East Asian financial crisis, economic polarization, and global resistance), the neo-liberal project has not been deeply challenged as the dominant economic doctrine for growth and distribution – "largely because of its ability to reconstruct its ability and tactics" (Bonal, 2003, p. 163). In many countries, including Russia, conditions and recommendations imposed by the IMF and the World Bank have led to the dismantling of the welfare state. The "from the cradle to the grave" model of free social welfare of the Soviet Union has been steadily deteriorating during the past 20 years. The post-Soviet period saw a sharp decline in the overall quality of life of the majority of ordinary Russians. The dramatic reduction in state subsidies for basic services, the hyperinflation of the early 1990s, and the economic slump, the non-payment of wages and the inadequate welfare system, and the collapse of the rouble in 1998 worsened the plight of the Russian citizens (Bacon & Wyman, 2006). In addition to these problems, some analysts (e.g., Markov, 2005; Reddaway & Glinski, 2001) cited the infamous "shock therapy," prescribed, in the early 1990s, by the IMF, whose control over the Russian economy is considered even more far-reaching than is admitted in public.

The long-lasting economic and fiscal crisis and subsequent stabilization and structural adjustment programs of the IMF and the World Bank hit public education hard. The proposed and imposed programs strongly encouraged the Russian government to reduce public expenditures on higher education and to diversify institutional revenues by introducing competitive funding mechanisms and by charging tuition fees. Some researchers (e.g., Ginsburg et al., 2005; Torres, 2003) considered the World Bank and the IMF the most prominent external sources of influence on higher education policies worldwide.

The urgency to restructure the welfare state policies in education was often framed in terms of successes and failures. Those countries that failed to restructure their education systems to meet the needs of the global economy were sure to become "the losers." Those who followed the prescribed steps would become "the winners."

> The stakes are high. The choice that countries make today about education could lead to sharply divergent outcomes in the decades ahead. Countries that respond astutely should experience extraordinary progress in education, with major social and economic benefits, including "catch-up" gains for the poor and marginalized. Countries that fail to recognize and respond risk stagnating and even slipping backwards, widening social and economic gaps and sowing seeds of unrest. ((World Bank, 1999, p. 1)

However, despite the advice of the global actors, the social and economic gap in Russia continues to grow. While large proportions of the population are in significant distress, Russia occupies the third place (behind the United States and Germany) on the list of the countries with the most dollar billionaires (*Forbes Magazine*, February 2004, as cited in Bacon & Wyman, 2006).

Today, both Russian and Western observers share the view that some of the given advice and imposed "conditionalities" of the IMF, the World Bank and the OECD were inappropriate in the Russian context. Attacking the "impure" Communism-tainted institutional structures, the IMF and the World Bank conditions, in fact, contributed to the dismantling of the social safety net, which had already been compromised by the economic and fiscal crisis. Shortly, after the 1998 rouble collapse, the World Bank's Chief Economist, Joseph Stiglitz, wrote that standard Western advice wrongly took an ideological, fundamental and root-and-branch approach to reform-mongering as opposed to an incremental, remedial, piecemeal and adaptive approach (Stiglitz, 1999). Instead of producing a gradual transition from a centrally planned and fully controlled economy and the priority of institution building to fit the emerging market, the pursued policies weakened the state and exacerbated the plight of ordinary Russians. Since the 1990s, the leitmotifs of the IMF and the World Bank interventions and technical assistance have been austerity and budget cuts with little regard for the social consequences. Although the IMF's policy and advice focused on banking, finance, and fiscal areas rather than on structural and institutional reforms, its macroeconomic policies had significant implications for a much wider range of policies that the Fund wanted to admit. For example, Odling-Smee (2004) argued that the IMF's influence in Russia was modest; the Fund had only a limited impact on overall fiscal policy and the major structural reforms. However, the institution played a major role in "transferring knowledge about macroeconomic policymaking and implementation" (p. 50). Whatever the degree of influence the Fund is ready to accept, even today, after recognizing the adverse affect of the budget cuts on the social safety net, the IMF still insists on the government's commitment to reducing its spending in favor of "balancing the books."

In education, the proposed market-oriented approach also led to unintended consequences. The universities in Russia have clearly suffered from painful financial downsizing, including the erosion of real faculty compensation, the demise of entire departments and degree programs, and the superimposition of entrepreneurial activities involving both faculty and facilities (Johnston et al., 1998). Commenting on the consequences of the educational reform, Smolin (2003) stated that the international organizations (specifically the World Bank and the OECD) that started out to teach Russian policy makers how to carry out reforms in education were now reproaching them because the level of inequality in education had gone beyond all acceptable limits. During the modernization of education, quality higher education has become a privilege of wealthier families, while the majority has to do with a second-rate education (*Putin's Triumph*, 2004).

Some critics of the reforms pursued by the Putin government recognized that they closely resembled the conditions imposed by the World Bank in the 1990s. Questions are being raised about the origins of new policies and the involvement and roles of supranational organizations. The Russian Deputy Minister of Education, Elena Chepurnykh, stated that the World Bank had only lent money for the introduction of the single university entrance exam in Russia (the USE) and that no connection existed between the new policy direction and the Bank's loan (Vaganov, 2002). According to the World Bank (1994), its support for higher education generally takes place in an agreed-upon policy framework with monitorable benchmarks. Although the package of policy reforms varies regionally, it usually includes some combination of measures proposed by the Bank. Furthermore, in *Ten Things You Never Knew About the World Bank in Russia*, the World Bank (2004b) acknowledged that the education reform supported by the institution had led to the introduction of a single entrance exam (the Unified State Examination) for all institutes of higher education. In the Bank's opinion, the single entrance exam to HEIs would make higher education more accessible to disadvantaged students and would give Russians the opportunity to acquire the skills necessary "to navigate the challenges of the market economy" (p. 1). However, a number of Russian and Western researchers do not share this opinion. For example, Zajda (2005) argued that Russian policy-makers should first start with the inequalities in learning opportunities, because Russian schools are now "very clearly divided by social class, privilege and wealth" (p. 414).

Some of reform recommendations appear to have been made without much regard to how they were to be implemented under the existing political, economic, and cultural circumstances. Moreover, although the Russian government is ultimately responsible for the implementation of the specific policies in the education sector, the role that international organizations have played in promoting the reform agenda is equally important. The World Bank's country evaluation noted that the Bank, the IMF and other institutions were asked by shareholders to work together to facilitate Russia's transition (World Bank, 2003):

> The Bank was entrusted with the responsibility of encouraging and overseeing structural reforms. ... A series of strategy documents established that, beyond its complementary assistance in support for IMF-funded stabilization efforts, the Bank's focus would be on helping build the institutions of the market economy, developing the private sector, and mitigating the social costs of transition. (p. xi)

Since financial, technical assistance and expertise from the IMF, the World Bank and the OECD are still essential for the implementation of a wide range of economic and social reforms in the

Russian Federation, these organizations will continue to have a considerable influence on political and educational discourse and policies. The desire to be accepted by the international higher education community can lead Russian policy makers to adopt their recommendations and policies without critical reflection. For this reason, the educational policies and frameworks offered by the IMF, the World Bank, and the OECD must be critically analyzed and publicly discussed.

Summary of the Findings

The events of the past several years have had a significant impact on the profile of Russian higher education. If during the 1990s, the major themes that emerged in education were those of the humanization and individuation of education, the later developments suggest that higher education is becoming increasingly market-oriented and less accessible to ordinary Russians. New elements in the discourse of higher education are the constructs of the market and globalization spread by the international agencies and adopted by the Russian government to frame its strategy for education. In order to understand where educational policy comes from, whose interests it represents, and what its potential impact will be, one should understand the two processes of the globalization and economizing of education policy. Since educational policies emerge at a certain junctures in history, they reflect transformations and shifts in society and the dominant ideology adopted by the state and expressed in its policies.

The policy and discourse analysis of the existing policy documents of the IMF, the World Bank, the OECD and Russian policy texts resulted in a number of findings concerning the main foci of the policies, the interpretation of globalization processes and the response to them, as well as the direction of the education policies and the dominant discourse. In many instances, the findings of the study were supported by the literature. Some of the findings either were not supported by the literature or were indirectly addressed in other research.

Finding 1

The analysis of the policy documents adopted in the 1990s during Yeltsin's administration revealed that these policies' main focus was on humanization and individuation of education. While some of the elements of the market relations were reflected the 1992 and 1996 education laws, the government stressed its belief in the state's provision of education and continuing commitment to access to education and equality of opportunity. The policies were consistent with the welfare state framework suggested by Olssen et al. (2004).

Finding 2

The discourse analysis undertaken in this study suggested that a definitive shift in education policy discourse occurred between the early and mid-1990s and the arrival of the Putin government in 2000. The analysis of the policy documents adopted by the Putin administration indicated that the proposed educational policies were closer to the policies associated with the neo-liberal state framework.

Finding 3

The international organizations discussed in this study exert their influence on higher education policy through various vehicles. Three paths of influence identified in the study are (a) coercive influences (e.g., the IMF's and the World Bank's imposed conditions); (b) agenda setting (e.g., the OECD's global education standards, international conferences, and publications); and (c) discursive interventions (the World Bank's and the OECD's analytical frameworks and conceptions).

Finding 4

The analysis of the policy documents of the IMF, the World Bank, the OECD and the Russian government after 2000 indicated the high degree of convergence in policy styles, agendas, responses to and interpretation of globalization processes. Globalization is interpreted within the neo-liberal market discourse, or, from, what was referred to earlier, in Chapter Three, as the Globalization II perspective.

Finding 5

The analysis of the policy documents adopted by the Putin government suggested that the current education policy in the Russian Federation is informed by the market ideology and is externally rather than internally oriented. For example, although technically committed to promoting equal access for all students, the government-adopted policies may lead to further stratification along financial lines.

Finding 6

The analysis of the policy documents of the Putin government and the existing institutional basis indicated a mismatch between the direction of the current education policy and the availability of institutional frameworks to fully implement educational modernization as it was envisioned by the government (i.e., a mismatch between the "base" and the "superstructure"). The policies are based on the assumptions of a stable and well-functioning market economy and well-developed social and economic institutions to support the proposed educational policy.

The following Table 7.1 highlights the literature that either reflects or rejects the above discussed findings.

Table 7.1. Overview of the Findings, Related Literature, and this Study's Contribution to the Literature.

Findings	Literature that supports the finding	Literature that does not support the finding	New Contribution
Finding 1 Policy focus on humanization, individuation, state provision of education, and commitment to access and equality	Bray & Borevskaya (2001); Canning & Kerr (2004).	Tomusk (1998).	The policies were consistent with the welfare state framework.
Finding 2 A shift in education policy discourse between the 1990s and the 2000s	Henry et al., (2001); Olssen et al., (2004); Schugurensky (2003); Zajda (1999)		The modernization policies resemble policies associated with the neo-liberal state framework.
Finding 3 Three paths of influence: (a) coercive (b) agenda setting (c) discursive interventions	Arnove & Torres (2003); Brock-Utne (2002); Cousins (2005); Fairclough (2001); Ginsburg et al. (2005); Henry et al., (2001); Reddaway & Glinski (2001); Samoff (2003)	Odling-Smee (2004)	Profound changes in the education policy discourse.
Finding 4 Policy convergence	Banya (2005); Henry et al., (2001); Johnstone et al., (1998); Olssen et al., (2004); Schugurensky (2003)		Domination of the Globalization II perspective.
Finding 5 Market-framed current education policy Increased inequality of access	Boiko (2004); Bucur & Eklof (2003); Buzgalin (2001); Carnoy (1999); Feonova & Spiridonova (2004); Smolentseva (1999); Weiler (2000); Zajda (2003)	Bacon & Wyman (2006); Daniels & Trebilcock (2005); Kuzminov (2005) believed that GIFOs promote access	Externally rather than internally oriented education policy.
Finding 6 Lack of appropriate mechanisms for reform implementation (e.g., absence of student loan program)	Bucur & Eklof (2003); (Kempner & Jurema (2002); Kozminski (2002); Kuzminov (2005); Tomusk (2001)		A mismatch between the "base" and the "superstructure."

CHAPTER 8

CONCLUSIONS, RECOMMENDATIONS, AND PERSONAL REFLECTIONS

This chapter addresses the research questions posed in the study and presents conclusions, recommendations, policy implication, and personal reflections.

Overview of the Study

The study analyzed the higher education reform and changes in education policies in the Russian Federation adopted between the 1990s and 2005 and explored the connection between the government's policies and the policies of three international institutions: the Intentional Monetary Fund (IMF), the World Bank and the Organization for Economic Co-operation and Development (OECD).

The dissertation began with the discussion of recent developments in higher education policies (e.g., decentralization, internationalization, and the introduction of tuition fees) in relation to the major economic and social transformation in the Russian Federation and its impact on current education policies. In the light of this backdrop, three main research questions emerged to guide the study:

1. How have the policies in Russian higher education changed since the early 1990s?
2. What forces have shaped higher education policies in Russia since 1990?
3. What major discourses involving higher educational reform has the Putin government introduced, and are they similar to the discourses of the IMF, the World Bank and the OECD?

The overview of the literature on contemporary issues in Russian higher education and its restructuring during the past two decades of the country's transition from Socialism to Capitalism was presented in Chapter 2, which also provided a profile of the major international organizations presently involved in reforming Russian higher education. The transformation of Russian higher education was connected to the wider context of global economic and social changes and the role of international agencies (the OECD, the World Bank and the IMF), which influenced macro- and micro-economic policies in the Russian Federation.

Chapter 3 conceptualized the key issues framing this investigation – globalization and welfare and neo-liberal state policies – which provided the analytical framework used in this study. The welfare liberal and neo-liberal policy perspectives on state, education, and knowledge, described in this chapter, were applied to the analysis of the Russian education policies adopted at different stages of reform. The impact of globalization and related processes was discussed in connection with the restructuring of higher education systems in various parts of the world. The nature, purposes, and the main features of the processes of development and implementation of higher education policies in modern societies were also discussed in this chapter.

The justification of the methodological approaches and data analysis employed in this study was presented in Chapter 4. Critical discourse analysis was a research strategy used to make an interpretive document analysis of the IMF's, the OECD's and the World Bank's policies and track changes in educational policies of the Russian government. On the one hand, the method of critical discourse analysis (CDA) permitted the study of education policies as discourse (e.g., education policies in the Russian Federation at the national level and the IMF, World Bank and the OECD policies at the international level). On the other hand, this method allowed for the tracing of the changes in the Russian education policy discourse that occurred between the 1990s and the 2000s, and the examining of the impact of the macro-economic and education policies of the international agencies on the policy discourse in the Russian Federation. Fairclough's (1992) framework of critical discourse analysis offered a way to focus on the shifting nature of the educational policy discourse within the larger framework of the political, economic and social changes.

The development of the Russian higher education system and its specific institutional features were also addressed in this chapter to provide the historical context within which education policy in Russia had emerged. The main systemic features identified in this section served as the background for the further analysis of the recent transformation of the Russian higher education sector and the current education discourse.

The analysis of the education-related policies of the World Bank, the OECD and the macroeconomic policies of the IMF was presented in Chapter 5. The most significant recommendations and policy directions advocated by the organizations were discussed in relation to the main assumptions of the neo-liberal approach promoted by these agencies. The discussion focused on how the discourse of efficiency, privatization, marketization, competition, and reduced government spending in the public sector was articulated in the policy texts of these organizations.

The rhetorical and enacted education policies adopted by the Russian government since the 1990s were analyzed in Chapter 6, which documented the changes and characteristic features of the education policy discourses of the Yeltsin and Putin administrations. The present government-produced education discourse was analyzed and compared to the previous post-perestroika discourse of the Yeltsin administration. The welfare state's and neo-liberal state's analytical frameworks, described in Chapter 3, were used to examine the two sets of policies. In doing so, several themes emerged, revealing the discursive shift that has been taking place in the modern Russian policy discourse. The shift has been decidedly from the welfare state's toward the neo-liberal state's policies.

Chapter 7 discussed the study's significant findings in light of the existing literature and the impact of globalization and other related processes on higher education policy in the Russian Federation. The roles of the World Bank, the OECD, and the IMF on education policy discourse and their paths of influence constituted a major part of the discussion. The significant findings of the study were related to the theoretical context that had been presented in Chapters 2 and 3.

The present chapter addresses the research questions in light of the findings, implications of the study, and recommendations. Conclusions, based on the findings are made within the responses to the research questions. I devoted the final section of this chapter to my personal reflections.

Research Questions and Conclusions

Research Question # 1 – How have the policies in Russian higher education changed since the early 1990s?

The analysis of the Russian higher education policies showed that two major policy shifts had occurred between the early 1990s and 2000s. In the early and mid-1990s, the Russian government adopted two laws on education that delineated the goals and direction of the education reforms in the Russian Federation after the Soviet Union's breakup. These laws represented a departure from the previous Soviet education policy framework. They focused on issues of the humanization, individuation, and decentralization of the education system and processes. The previous ideological foundation was rejected in favor of building a new civic culture and democratic society. The major shift occurred in the ideological substance of education policies. The elimination of Marxism-Leninism could be regarded as the major difference between the previous Soviet-type policies and the newly adopted policy framework. However, the key policy issues of the 1990s legislation and government's commitment to providing public support for free higher education in public institutions suggested that these policies were consistent with the welfare state policy framework.

The second shift in educational policies was revealed through the policies adopted by the Putin government since the beginning of the 21st century. The analysis of these policies indicated a definite shift towards the neo-liberal state's framework and away from the welfare policy framework. The new education policies stressed the importance of education for the needs of the economy, the growth of human capital, and the global competitiveness of the country. The emphasis was on the introduction of market mechanisms of financing in higher education (including user fees), competitions between institutions, and skills required to navigate the market economy. The goals of educational modernization were defined in terms of economic growth, labor market requirements, "usability" of knowledge, and global competition.

If the 1990s reforms were historically driven while Russian society was undergoing a radical transformation, Putin's reforms are in essence economic. The findings suggested that since the beginning of the 21st century, Russian policy makers have been framing their education policies within a neo-liberal paradigm (Finding 2). The recently adopted policies emphasized the importance of education for Russia's economic prosperity, global competitiveness and development of human capital. The proposed measures aimed at improving human capital, education standards, and management of educational resources and insuring greater efficiency and economic returns from higher education. Because the government policies are externally oriented, internal problems of higher education seem to be of lesser concern. The issues access and equity, staff salaries and working conditions, and institutional infrastructure have not been appropriately addressed in these policies.

Research Question # 2 – What forces have shaped higher education policies in Russia since 1990?

The study identified several forces that have been shaping the current higher education policies in the Russian Federation. The first set of forces is associated with the objective processes of globalization, or "Globalization I," which implies the intensification of transnational flows of information, capital, goods and people and leads to interconnectedness between countries. In higher education, interconnectedness often leads to the internationalization of higher education through the harmonization of degrees and programs to ensure student and academic mobility. For example, the Bologna process was a response to common European problems and an action program to create a European space for higher education in order to enhance the employability and mobility of citizens and to increase the international competitiveness of European higher education. Since signing the Bologna Declaration in 2003, the Russian government has developed policies and adopted a plan to transform higher education programs and degrees to ensure the compatibility of the Russian system with those of other European countries.

The second set of forces influencing higher education policies in Russia is associated with the activities of global agencies such as the International Monetary Fund, the World Bank and the Organization for Economic Co-operation and Development. For over a decade, the IMF, the World Bank and the OECD have been financing various projects and offering policy recommendations to Russian policy makers. The expert reports, analytical papers, and ready policy solutions published by these organizations have made them virtually unquestionable authorities in the world. The impact of the structural adjustment programs (SAPs) of the IMF and the World Bank is evident in the policies emphasizing finance-driven reforms and the reduction of public sector spending in favor of private contributions. The analysis of the IMF's, the OECD's and the World Bank's activities and policy documents suggested that these international agencies have contributed to the transformation of Russian higher education policies through coercive, agenda-setting, and discursive influences. Russia's dependence on the loans provided by the IMF and the World Bank led to explicit conditions imposed by these organizations (e.g., the Bank supports specific policy reforms and required alignments).

The IMF, World Bank and the OECD, as international mediators of policy knowledge, with both financial and expert capital, through their structural adjustment programs, publications and advice, have been spreading the neo-liberal policy paradigm in which higher education has been framed predominantly in terms of human capital and economic returns. International conferences, policy forums, research papers and books are among the vehicles used by these agencies to set their education reform agenda.

The analysis of the policy documents produced by the IMF, the World Bank, the OECD and the Russian government has showed that these agencies promote a neo-liberal reading of globalization, which in this study was referred to as "Globalization II." The years of cooperation with these external actors have resulted in changes in both the context and discourse of the

Russian policies. By highlighting the potential of globalization to create "winners" and "losers," the World Bank and the OECD compel governments to adopt specific policies leading to future success. In present education policies, the Russian government considers higher education as a direct contributor to the new knowledge-based economy and a major factor that will ensure global competitiveness of the Russian economy. The neo-liberal agenda and free-market ideology promulgated by the international agencies have had a significant impact on the Russian government's policy discourse. The OECD's and the World Bank's education philosophies, which usually define education as an investment in human capital and human resource development, have been adopted by contemporary Russian policy makers, who today assign a rather pragmatic role to the institution of higher education.

Additionally, the World Bank and the OECD exert their influence on higher education policies through "discursive interventions." In their education work, the organizations articulate and forecast trends in higher education, create conceptual models and analytical approaches, as well as introduce new categories and themes (e.g., human capital and the knowledge-based economy). By providing policy prescriptions for the education systems of "economies in transition," the OECD and the World Bank export their neo-liberal and economic globalization ideas to countries with these economies. Governments are encouraged to adopt "global" education standards to improve their education system, which will allow them to compete in the global economy. In order to gain legitimacy in the eyes of the international community, the government borrows these policies, introduces them into its own context and then sets a new agenda for Russian higher education and society.

Together with the IMF, which is involved mainly in the macroeconomic restructuring of Russia, the OECD and the World Bank have played a major role in legitimizing the conception of higher education as a producer of human capital for the global economy, leaving virtually no room for counter arguments. Thus, the neo-liberal reading of globalization and education policy discourses spread by these agencies have had a profound effect on shaping and legitimizing new institutional practices in Russian higher education.

Research Question # 3 – What major discourses involving higher educational reform has the Putin government introduced, and are they similar to the discourses of the IMF, the World Bank, and the OECD?

The analysis of the policy documents produced by the Russian government between the 1990s and the 2000s demonstrated the shift in the dominant policy discourse. The policy documents adopted by the Putin administration were filled with representations of changes in the global economy, and notions of "accountability," "transparency," "knowledge economy," "flexibility," "market demand," "competition" and other key phrases associated with the free market economy. During the past decade the previous Socialist welfare discourse, prominent in the 1990s educational legislation, appears to have been replaced by the new policy discourse. The latter has widely converged around the neo-liberal discourse disseminated and imposed by organizations like the IMF, the World Bank, and the OECD, which have been promoting the importance of the "human capital" for successful competition in the "new global economy." Exactly the same notions ran through the recent Russian policies on education, similarly presented as truisms and used to construct the new economic order as a simple fact of life to which there is no alternative. The education reform rhetoric has become increasingly economics- and politics-driven. The role assigned to higher education has been redefined in terms of its contribution to a knowledge-intensive economy and competitiveness at the global level.

Attuned to the logic of globalization, the Russian government stressed the need to develop human capital that would provide a basis for economic growth and a stable democratic society. The connection between the development of human capital and the country's capacity to establish a well-functioning market economy and a democracy has become axiomatic in education policies of the OECD and the World Bank and more recently in Russian education policies. This axiom constitutes another point of convergence between the policy discourse of the international actors and the Russian government, who tend to use the notions of "market" and "democracy" together, as though the former preconditions the latter.

Additional examples of convergent policy discourse include the concept of the "knowledge-based economy," which has become another catch phrase in the World Bank, the OECD, and the Russian policy texts. Globalization and the knowledge-based economy are constructed as twin ideologies (similar to another combination – market and democracy). Spread across the world systems through various forums, these ideologies eventually become deeply rooted in nation-states' policies as unquestionable truths. The method of discourse analysis was helpful in identifying a number of similarities between the dominant policy discourses produced by the World Bank and the OECD and the recent Russian government policies in education. These similarities were quite remarkable at times. In fact, some of the phrases and sentences could have been translated verbatim from the World Bank's and the OECD's publications. In Russia, the ideological shift that privileges the neo-liberal discourse in higher education policies appeared even more prominent in the recent government document entitled *The Federal Program of the Development of Education for the period of 2006 - 2010*, which was examined in Chapter 7. Discourses of competition, the knowledge economy, human capital, and efficiency were the leitmotifs of this policy text. Thus, the obvious shift in the higher education policy discourse reflects the overall political reorientation of the Russian government, which is manifested in particular linguistic forms and discursive practice. Considering the current neo-liberal orientation of the state and its dependence on resources and advice of the IMF, the World Bank and the OECD, the government is likely to continue the higher education reform in accordance with these agencies' conditions and recommendations.

Policy Recommendations for National and International Policy Actors

The reforms of the Russian education system concern more than 50 million people and have long-term implications for Russia's society and economy. Like all large-scale policy changes, the implementation of education reform should be conducted in a well-planned and gradual manner. While designing reform strategy, policy makers should consider the specific national context, including economic, state institutions, and societal values, which will influence the reform's viability. The findings of this study suggest that present government policies emphasize the global competitiveness of the Russian economy and education and are externally oriented (see Finding 4). Current education policies are based on the policy perspectives similar to the neo-liberal perspective. The Russian government is currently more concerned with economic returns and success in the global market than in the issues of social justice and equity. Meanwhile some important issues (e.g., unequal access, poor working conditions, and the brain drain) which will have long-term implications for the society and economy remain unresolved. Although access to higher education was mentioned in the policies, it now depends on the school the one goes to and the family one comes from. In order to address these issues affecting higher education, the Russian government should implement appropriate financial and administrative mechanisms.

The introduction of tuition fees can prevent some groups of students from participating in higher education. The growing labor mobility associated with globalization processes and the introduction of internationally compatible degrees in all Russian higher educational institutions in 2010 has the potential to contribute to a brain drain. The question then remains: what should be done to ensure that young people have a chance to receive education and educated people stay in Russia and contribute to the national economy? If the economic and social conditions in the country are not improved and the brain drain continues, Russia may become a "human capital" resource base for other countries with higher living standards and better working conditions.

Although regulating the flow of the qualified people from a country is very difficult, policy makers should nevertheless explore various approaches to this problem. As "the human factor" is fundamental to the economic and national prosperity, the Russian government needs to implement concrete measures in order to overcome the mismatch between the adopted education policies and the existing conditions in the economic and education sectors (Finding 6). Only after improving the situation within the higher education sector, can the government convincingly claim that Russia has the ability to participate and compete in the global economy. How can the country compete globally if its internal problems are not adequately addressed?

Recommendation # 1 – To ensure the quality of secondary education and to eliminate barriers to equitable access to higher education

Since the Russian education reform is mainly finance-driven, its primarily effect on the education system, according to Carnoy (1999), will be increased inequality of access and quality. Therefore, the government should adopt comprehensive measures to ensure that students have access to higher education regardless of their socio-economic background. The problem of access to higher education requires efforts from policy makers, university administrators and staff, and secondary education institutions, who need to address the quality of secondary education because educational inequalities start at the secondary level. Policy makers should continue working to implement education standards across all secondary institutions by providing the necessary resources for schools to deliver a quality education. Increased investments to secondary and elementary education and targeted interventions to vulnerable schools (e.g., rural) and the children from low-income families should be considered in order to improve the quality of education provided by public schools.

The government and responsible organizations should address the shortcomings associated with the standardized testing (USE) at the secondary school level. It is essential to improve both the USE format and testing procedure. Additionally, appropriate teaching and learning resources should be available to educators and students, and opportunities for professional development of teachers should be created.

Recommendation # 2 – To create appropriate funding mechanisms for students and ensure equal access to higher education.

Given that higher education in Russia is de facto not free and that over 50% of currently admitted students have to pay tuition fees, which often exceed average incomes in the Russian Federation, the government could create a viable student loan program or a taxation system which makes use of wealth (e.g., oligarchs) to support higher education consistent with the Russian Constitution. Although the idea of student loans was discussed in the early 1990s legislation, and some attempts have been made since 2000 to introduce national and regional loan programs, no fully working system of this sort is currently available to Russian students. Since the recently adopted policies in education were framed within the neo-liberal and market policy framework, one may expect that tuition fees will soon become ubiquitous in Russian HEIs, which can restrict access to higher education for students from low-income families.

The introduction of tuition fees could be accompanied by student loan programs as well as financial plans (credits; educational savings) to ensure equal access to higher education in Russia. Additional resources can be provided through merit-based scholarships, vouchers, and college saving and prepaid tuition plans. Tuition-charging systems have the resources to create programs (e.g., scholarships, loans) to balance the unintended social consequences of tuition fees (Darvas, 1999).

Recommendation # 3 – To raise academic salaries to ensure an acceptable standard of living for academic staff, to create better working and research conditions

Since the 1990s, the problem of academic salaries and working conditions has remained on the policy agenda. Almost every major piece of legislation adopted during the past 15 years has mentioned these issues. While over the years, academic salaries have been somewhat increased, they are still lower that in many sectors of industry and represent a fraction of what university professors are paid in Western countries. In reality, this amount of money hardly reaches the current sustenance level. Thus, fundamentally, the issue of low academic salaries remains unresolved. Sadly, the saga of denying "the fruits of the market" (Tomusk, 1998) to university professors continues to the detriment of the higher education system and, consequently, the national economy.

Professors need to have more time and resources to conduct research and for professional development activities (e.g., conferences, professional interactions). These are essential components of the academic work which can help to retain academic staff and attract young people to the profession.

Thus, to preserve human capital and curb the "brain drain" from higher education institutions (and from the country), the government should increase academic salaries and create better research and working conditions.

Policy makers should challenge the IMF experts advising against the use of oil revenues for public spending by citing the effect of low salaries on the lives of academics and future ramifications of an internal (to other sectors of the economy) and external (to other countries) brain drain.

These suggestions should be considered a priority for the Russian government because successful restructuring of the higher education system will have long-term implications for the nation's well-being and progress. The preservation of a common cultural and social space, high literacy and lifelong learning, the nation's health and development depend on strong public higher education. So far, much of the program for change, in education and other social spheres, has been merely remedial, seeking to correct the perceived causes of the present crisis. However, building a new society involves more than mere rejection of past ideologies and the reliance upon the vague notions of "market" and "democracy." I agree with Webber and Webber (1994), who stated that implementing change of the type envisioned in Russia requires a fundamental modification of the society's philosophical framework. The choice of the framework is the reason for my great concern.

Recommendation # 4 – To develop the policy framework that will be consistent with the existing economic and social capabilities of the Russian population and focus on access and social justice.

Findings of this study suggested that current Russian government policies have much in common with the neo-liberal policy framework (Finding 2 and 6), which assumes the existence of a stable and well-functioning market economy and developed social and economic institutions. However, the economic and social conditions for implementing market-oriented education policy remain unfavorable in Russia. The move from previously espoused egalitarian education contributes to inequality of educational opportunity and further stratification of society (Finding 5). Under these conditions, it is essential for the government to develop policies that will be consistent with the real economic situation in the country, financial capabilities of the population and the availability of safety nets to protect the most vulnerable.

The government should evaluate its policies within the dynamic of growing social inequality and consider the social implications of the current policy. While facilitating modernization of education and economy, the government should consider the promotion of democratic justice and fairness as its most important responsibility to the Russian people.

Recommendation # 5 – To provide adequate financing of the public higher education sector and promote a more efficient utilization of available funds.

Inadequate financing of the Russian higher education for the past two decades was detrimental to the development of the sector. Meanwhile, investments in higher education are vital for the sector's modernization and its ability to contribute to social and economic progress in Russia.

Considering that higher education today is viewed as an important factor in Russia's ability to participate in the global economy, the government should increase its investments in institutional infrastructure, R&D, and professional development. The government should continue its work on improving efficiency in the use of higher education resources, by helping institutions to repair their dilapidated infrastructure and by creating better budget management systems in HEIs, which will insure openness and transparency in the allocation and use of money and will save considerable resources in the long-run.

Recommendation # 6 – To provide policy assistance customized to fit Russia's social structure, economic capacity, history and culture.

Little doubt exists that a neo-liberal and globalization agenda now dominates and shapes Russian macroeconomic and social policies. Today, Russian higher education policies are framed in terms of market and globalization (Findings 4 and 5). Apart from the emergence of what some Russian critics call "radical Liberalism" in Russian mainstream politics, the involvement of the International Monetary Fund, the World Bank, and the OECD has left its deep imprint. The OECD's policy recommendations, the IMF's stabilization programs, and the World Bank's structural adjustments programs, which were undoubtedly grounded in the neo-liberal philosophical approach, influenced how the Russian government developed its strategic program for higher education in the new millennium.

As was discussed in Chapters 2 and 6, through their lending and education policies, the World Bank, the OECD, and the IMF played an important role in shaping and implementing higher education policy worldwide. Their recommendations served as the basis for the education strategy adopted by the Putin government after the year 2000. The incorporated principles of the reform program were connected to higher education policies promoted by the OECD and the World Bank and the macroeconomic policies of the IMF. For example, the Russian government is implementing a student-based funding formula ("money follows the student") and competitive funding for higher education institutions, which the government expects to raise the quality of education services and make institutions more efficient and innovative.

Policy makers and international agencies should consider the potential impact of "expert advice" on those who are directly affected by it. For example, the insistence on charging tuition fees presents serious challenges to many Russian families, whose average income is significantly lower than the average incomes in the OECD member-countries. The recommendations of the international agencies often do not reflect the existing economic and social conditions and may be more harmful than helpful. When offering policy advice, the international organizations need to understand a country's specific historic, social and economic contexts and to evaluate the impact of their advice. These organizations need to reconsider the one-size-fits-all approach applied to loan-dependant countries, an approach, which has often exacerbated the plight of a nation rather than improved it (Espinoza, 2002; Ginsburg, et al., 2005; Giroux, 2004; Reddaway & Glinski, 2001; Torres, 2003).

Considering the OECD's and the World Bank's international experience in education policy design, implementation and evaluation, these agencies can contribute to the restructuring of Russian higher education in several ways. For example, they can assist the Russian government in developing effective mechanisms to promote equitable access to higher education. Drawing on the knowledge of the expert teams dealing with higher education and macroeconomic policies, these agencies can facilitate policy dialogue between the Russian policy makers and international specialists and researchers in the field of higher education funding. They can help the Russian government to design and implement a student loan system or suggest other approaches appropriate to Russia's specific context.

Cooperation with international agencies, especially with the World Bank and the OECD, has great positive potential in the area of higher education policy, but only if the voices of all the involved parties are equally represented in the new policies and projects. Prior to offering their policy framework, international agencies should recognize that every nation follows its own path of development and that not all people will equally profit from the global market and the new economic order. Therefore, instead of imposing their a priori established education discourse, the international organizations should engage in a policy dialogue with nation's policy actors and civil society to make international projects more transparent, cooperative, and open to public debate. They need to focus less on the globalization agenda and more on each nation's social and cultural demands and needs.

Recommendations for Future Research

While this study's intended goals were accomplished and the posed research questions were addressed, much more remains to be investigated and learned. At times, focusing on the research questions and not engaging in the many other questions that arose in the course of the study were difficult. I envision several avenues for further research.

The processes associated with objective globalization (Globalization I) and the new economic order (Globalization II) will continue to suggest future research programs. Questions dealing with globalising processes and their impact on education, citizenship, and democracy can be explored in their national and international contexts. The activities of the global policy actors and the impact of their policy discourse on national education policies will be another important area of inquiry for education policy researchers. Academics, policy analysts and intellectuals interested in developing alternative policy discourses in higher education might choose to investigate questions regarding the policy actors' ideological assumptions, emergence of particular reform agendas, and the impact of education policies on society.

Since the current Russian educational strategy is essentially a reform-in-progress, this reform's implementation and effect on various societal groups, including students, academics, parents, and employers will need to be studied.

The research on the impact of the Bologna process on Russian higher education, students and academic staff will be another interesting area of inquiry, especially after the planned 2010 introduction of new standards, degrees and study programs in Russia and other participating countries. Comparative and international studies in higher education will illuminate the effects of the Bologna process on educational policies, professional life of academics, teaching and learning, employment and mobility.

Conversations and interviews with policy makers and those directly affected by education reform will provide valuable insights and generate discussions about the current education policy and its implication for the people and the country.

The research dealing with the international intellectual migration (brain drain) will be necessary to better understand reasons of such migration and to find the ways to address this growing problem.

The impact of current higher education policies on students from low-income families and other disadvantaged groups will need to be explored. By illuminating the effect of market – driven education policies on particular groups, researchers can help educationalists to challenge policies contributing to injustice and inequity in education and to assist in promoting egalitarian and democratic policies in the Russian Federation.

Personal Reflections

Lena's story

In 2006, as I was finishing work on this study, one of my former students decided to immigrate to Canada. To me, her decision came as no surprise, given the situation in Russian higher education. However, I was deeply saddened that educated young people continue to leave Russia for good. I must say that Lena's story is typical of many professionals who felt that they had no future in their own country.

Lena graduated from a Russian university with a degree with distinction in English Literature and Philology in 1998. For the next three years, she worked at her university, teaching English to future engineers. In 2001, she started her graduate studies in one of the country's leading institutions, Moscow State Linguistics University. The cost of her graduate degree was paid from federal budget resources. She also received a stipend from the government for living expenses (which was hardly enough to buy food for a month). Lena managed to survive the 4-

year study period by accepting occasional tutoring, translation and other minor jobs. Her retired mother had to return to work to help Lena through her graduate studies. In 2005, Lena defended her dissertation and received a degree of Candidate of Linguistic Sciences (similar to a Ph.D. Degree). The following summer, Lena accepted a Muskie Fellowship in the United States where she studied educational policy and completed an internship related to international exchange programs.

Even before graduating from Moscow State Linguistics University, this young woman learned that she would not be able to provide for herself and her family by working in a Russian university. Her career prospects were also bleak. She would have to supplement her university salary by having another better-paying job, or changing her career path entirely. After long discussions with her family, Lena decided to apply for immigration to Canada. She felt that in a country like Canada she would have more career options, better living conditions, and the opportunity for self-realization.

Ironically, the reasons that Lena cited in rationalizing her decision to leave Russia sounded all too familiar to me, for I had made a similar decision in 1999. What could this familiarity mean? This could mean that the last seven years of reforms did little to improve the plight of the Russian universities. It could mean that the new generation of Russian academics and researchers suffers from the same old problems, and that "the abolition of Russian academia as a full-time job" (Neave, 2006, p. 282) continues. This could also mean that policy makers got so involved in the reform process that they forgot about those who are at the heart of the higher education reform. Modern policy makers who use "human capital" as their mantra do not seem to realize that their devastating neo-liberal approach and continuing dismantling of the welfare state cause the loss of what constitutes the "human capital" – young Russian intellectuals.

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APPENDICES

APPENDIX A

HISTORY OF RUSSIAN PUBLIC HIGHER EDUCATION AND POLICY

Since its inception and creation, Russian public higher education has been ruled by Russia's central autocratic authority, first, by Tsar Peter the Great and his successors and later, after the October Revolution, by the Soviet central government. In the 1990s, changes swept across the country, but educational policy-making still remained centralized and subordinated to the federal government. This chapter presents a survey of the history of Russian public higher education. The emphasis on the word "public" is necessary here, since the history of Russian higher education dates back to the middle ages. Considering that this chapter's focus is on secular higher education as opposed to clerical, the discussion of the founding of higher education in Russia opens with the time of Peter the Great.

If one wants to fully appreciate the scale of changes in the Russian system of higher education, one needs to know the roots of this system. Very often, educational change is viewed as the product of the overall transformation of society and its philosophy and therefore should be examined in connection with this transformation. However, the relationships between education and higher education in particular and social change in general should be examined as interdependent relationships. Societal change transforms the institution of higher education, but educational thought also influences a society and brings about changes. This chapter presents a historic overview of the origin and evolution of Russian secular higher education, starting from the time of Peter the First (Peter the Great) and ending with the twenty-first century. Particular attention is paid to the relationships between universities and higher educational institutions and government authorities and the nature of these relationships.

For many decades, Western researchers have been exploring Russian education in general and higher education in particular. Educators have tried to understand these systems' roots, development, and challenges during the Soviet period. In the late 1950s and early 1960s, the interest in this topic could be attributed to the fact that "the Iron Curtain" raised between the West and the East after World War II had made the Soviet Union even less transparent than it had been previously. The post-war recovery and scientific advancements, particularly the launch of the Soviet Sputnik in 1961, might have also played role in stimulating educational research. Many publications were dedicated to understanding and criticizing the ideological foundation of Soviet education. For example, George Counts wrote extensively and passionately on the challenges facing Soviet education, mind control in the Soviet State, and the Soviet challenges to America, referring to the Soviet Union as "the country of the blind" (Counts & Lodge, 1970). Although some of the criticisms could be challenged, in general the research on Russian higher education helped to sort out the questions about its origin, development, and guiding principles. Western and American educators interested in Soviet education tried to analyze the development and status of education in the USSR (Rosen, 1971). Publications by Grant (1979), Rosen (1971), Tomiak (1983) and doctoral dissertations by Johnson (1950) and Popovecz (1976) provided background historical material, examined the role of state agencies in the administration of educational process, and discussed ideology, trends and the role education played in the modernization of the country. Some works provided an in-depth analysis of certain historical epochs. For example, Flynn (1988) analyzed the university reforms under Alexander I (1802-1835), who was considered the founder of the university system in Russia. As some of the researchers stated (e.g., Popovecz, 1976), understanding the Soviet Union entailed understanding the Soviet higher education system. In 1992, Brickman and Zepper published their book *Russian and Soviet education 1731-1989: A multilingual annotated bibliography*, which compiled more than 1700 sources on the topic from around the world and was intended to become a valuable research tool. Other studies, including those of Alston (1969) and Rosen (1971), examined the development and expansion of higher education in Tsarist and Soviet Russia. More recent publications focused on the educational reforms introduced in post-Soviet Russia and the challenges facing education during Russia's political, economic and ideological transformation.

Previous writers on Russian education conveniently divided the history of education into three periods: the time from Peter the Great to around 1900; 1900 to the Socialist revolution of 1917; and the so-called the Soviet period, which started with Stalin's reforms and continued through the 1980s. This study will also analyze the fourth period, which started in the 1990s. The last, present period, will be discussed in the next chapter. During all these periods, major events that significantly influenced educational policies in the region, took place. Since all the events that affected Russian higher education cannot be described, this overview focuses on those which provide the best understanding of the development of Russian higher education.

The Window to Europe and Formation of Russian Intelligentsia

The survey starts with the eighteenth century when the Russian State underwent significant transformation affecting the political, economic and social development of the country. The two Russian monarchs who ruled during the eighteenth century had the most impact on the development of education and culture in Russia. Historians recognize Peter the Great and Catherine the Great as internationally important figures in the history of Europe. Many researchers have suggested that the roots of Russian and Soviet education might be found in the era of Peter the Great, who ruled from 1682 to 1725. He was the first Russian monarch who appreciated the value of scientific education for the development of his country. Convinced that his country required modernization in its political structure, military might, economy, society, culture and education, Peter started reforms to modernize and "Westernize" Russia. His first steps were to lift the traditional ban on travel abroad and to send young men to England and the Netherlands to master mathematics and military science.

Being familiar with Western sciences and trade, Peter introduced reforms to change what was often referred to as Russian "backwardness." Peter understood the necessity for education to produce enough manpower to develop Russia's industrial, legal, administrative, social, and scientific spheres to bridge the gap between Russia and the rest of Europe. Although Peter was enlightened and impressed by the developments in European science and economy, he often used harsh methods to introduce changes in his own motherland. He was ruthless and intolerant in dealing with those who resisted his innovations:

> Peter's moves toward reform were dramatic and ruthless, the impatient steps of the enlightened, absolute ruler who was sincerely concerned with his country's progress and well-being, but whose insensible methods reflected a disdain for the people's sensibilities. Hence, though his objective was to obtain rapid change, he at the same time aroused deep antagonism and passive resistance. His reforms were achieved by coercion, backed by the power of the army and police, and were achieved in spite of the opposition of the clergy and peasantry and much of the gentry. (Rosen, 1971, p. 17)

After returning from a trip to England, Peter founded a School of Mathematical and Naval Sciences (1701), which, unlike ecclesiastical Russian schools, was secular, scientific and utilitarian in character. The curriculum included courses in mathematics, geography, the English language, geodesy, engineering, navigation, and physical sciences. Most of the teachers were foreigners, and the school itself was modeled on the London Mathematical School (Rosen, 1971). The school's curriculum was similar to college preparatory and higher technical education curricula, and the school's graduates served not only in naval service but also in various civil services such as teaching, architecture, diplomacy and public administration. Peter also established a Surgeons' School in Moscow in 1707 to train surgeons and physicians in a five-year program.

Besides founding educational establishments designed to give practical training and to prepare youths for state service, Peter signed a decree to found the first Russian Academy of Science in his new capital – Saint Petersburg. Opened in the year of his death, the Academy became Peter's crowning achievement. In addition to having research facility, the Academy included a university and a supporting gymnasium. As Russia did not have its own scientists with qualifications necessary for professorial ranks, the government had to import German scientists to fill in the positions. The Academy would later play a significant part in the education of Russian educators and scholars. Peter's efforts to educate the illiterate country and to overcome its backwardness were not always popular with the Russian nobility. Therefore, at some point, Peter required all noble sons to pass a basic examination before they could marry, become officers, or be considered legal adults. In order to force the nobility to accept the need for education, Peter decided to link education to the service obligation. This method proved effective since the government provided the schooling free of cost, compelled students to attend school, and paid them for doing so (McClelland, 1979).

During the reign of Empress Elizabeth (1741-1762), two significant educational events took place: the establishing of the Academy of Arts in 1757, and the opening of Russia's first true institution of higher education, Moscow University, in 1755. Many historians considered the Russian scientist, poet and linguist, Mikhail V. Lomonosov (1711-1765), an important figure in founding Moscow University, which was later named after him. Moscow University is considered the first truly Russian University as opposed to the foreign-dominated Academy of Sciences. Lomonosov emphasized the Russian nature of the university and the gymnasiums in which Russian became the language of instruction. The university was comprised of three faculties: law, philosophy, and medicine. As the cohort of eligible students was relatively small, a preparatory gymnasium was opened to ensure the constant supply of future university students. Side by side with the foreign professors, the abroad-trained Russian staff were giving lectures at the university. Lomonosov's efforts to bring more Russian citizens to higher learning resulted in increased numbers of lawyers, engineers, medical doctors, university professors, and scientists in the eighteenth century.

The next outstanding ruler who advanced the institution of education after Peter's death was Catherine II, also known as Catherine the Great (ruled from 1762 to 1796). The empress was well educated herself and promoted further educational reforms for her people. Supported by Catherine, a Commission for the Founding of Popular Schools established schools that were supposed to be not only modern, utilitarian and secular, but also co-educational, open to serfs and built on a ladder principle, leading to the university (Rosen, 1971). In 1764, Catherine II opened the St. Petersburg Smolnyi Institute, a secondary school for noble and middle-class girls, who studied Russian and foreign languages, history, geography and arithmetic. During her reign, several new institutions appeared in the Russian Empire. Among them were the Blagorodnyi Pansion, a preparatory boarding school for Moscow University; the School of Mines; the Pazheskyi Corpus, providing general and military education for the sons of the aristocratic class; and the Artillery and Engineering School. During Catherine's rule, an attempt was made to organize the national educational system. The empress often sought advice regarding educational matters from Western philosophers and educationalists. The results of Catherine's formula for the country's educational system were reflected in the Ustav of 1786, the Statutes for Public Schools in the Russian Empire. The plan targeted primarily the people living in towns; it did not include the establishment of schools in the rural areas, so that most peasants, although allowed to attend schools in towns, would remain illiterate.

The 1787 University Statutes were another important educational achievement during Catherine's reign. Although the Statutes did not become law (the Empress did not confirm them), they formed the link between Catherine's and Alexander the First's legislation regarding universities. Since Catherine drew on the knowledge and experience of European scholars and policy makers, the Statutes, at the government's request, were also written by Austrian Professor von Sonnenfels, who was behind the project, and were translated and commented on by the Russian Commission Members. According to the Statutes, the school system was to be brought in line with the universities. The Statutes allowed any student, irrespective of his/her social origin, to enroll in the university, provided a student was not "of defective mind" and had necessary credentials (Hans, 1964). In addition, education at the universities was to be free for poor students, who could procure from the Board of Social Welfare a certificate of lack of means. All wealthy students had to pay fees.

To ensure that university chairs and departments were filled with the Russian professors, the government instituted fifty state scholarships. The universities were to maintain three faculties – Philosophy, Law and Medicine. The division into faculties and the distribution of chairs was made according to the practice prevalent at the time in Austria and Germany (Hans, 1964).

Although considered "progressive" for that time, most of the Catherine's educational policies did not materialize during her rule due to the lack of professors in Russia and the limited number of eligible university students. Nevertheless, these policies set the stage for the future university system that was formed during the reign of Alexander I. The Catherine's period in the history of Russia was filled with major political, economic and cultural advancements and the development of the public educational system in the country, which continued to expand its eastern, western and southern frontiers.

The Enlightenment and Reaction. Toward the Revolution

During the nineteenth century, Russia continuously progressed in science and culture. This century was when Russian literature, music and science became well known in many Western European countries. Alexander I, a grandson of Catherine the Great and a monarch influenced by the English and French period of Enlightenment, was Russia's first nineteenth-century monarch. At the very beginning of his rule (1801-1825), Alexander exhibited signs of liberalism and reversed some of the repressive policies set by his predecessors frightened by French revolutionary ideas. He started his reign with the desire to completely reconstruct Russia's political and social system.

In 1801, Alexander appointed a committee to formulate new educational policies for Russia. As early as 1802, the Tsar established the Ministry of Public Culture, Youth Education, and Dissemination of Science, which became responsible for Russia's system of educational institutions and cultural and intellectual progress. This plan involved a centralized system of education and the division of the country into six educational districts, in which the universities would supervise the secondary schools. As a result, new higher educational institutions were established in Dorpat (presently Tartu, Estonia) (1802), Vilnius (1803), St. Petersburg (1804), Kazan (1804), and Kharkov (1804). The establishment of the Main Pedagogical Institute of St. Petersburg was an important event for the empire's teacher training evolution. Newly organized public schools and lycea were expected to increase the prestige of the government's plan for public education. At the same time, additional gymnasiums, which provided both scientific and classical secondary education, were opened across the country.

During Alexander's reign the actual formation of the Russian university system occurred. The university statutes adopted at the time provided guidelines for the universities regarding their organization (usually four faculties and a pedagogical institute), university autonomy, and academic freedom. Professors elected their own rectors and deans, while faculties set their own standards for teaching and evaluation and formed the censorship authority. The statutes also emphasized the importance of the highest level of teaching, scholarship and research (Flynn, 1988). Although the reforms of his time were somewhat contradictory, the decrees issued in the first years of the Alexander's reign suggested that for the first time education was recognized as important for the development of the entire society rather than of an individual alone.

By the later years of Alexander's rule, the Russian university system had emerged as highly centralized as the French system, and as devoted to the advancement and dissemination of pure knowledge in accordance with the European academic tradition, as the German system. However, this stage of Alexander's rule lasted only until the 1812 Napoleon invasion, which caused the Tsar to reconsider his previously espoused liberal views. This change resulted in the repressive policies of 1817, when the Ministry of Public Education was reorganized into the Ministry of Spiritual Affairs and Public Education. The influence of the Holy Synod became more pronounced in the educational policies that followed. For example, at the secondary level teaching of religion became mandatory. As well, university degree requirements were tightened, and the universities themselves were purged. Dominated by the fanatical zeal of two curators, Runich and Magnitsky, this period of intrigues, espionage and mutual denunciation was considered the darkest time in the history of Russian universities (Hans, 1964). Alexander's later educational policies were expressed in terms of Orthodoxy, Autocracy and Nationalism. According to these three pillars, the universities were to train students to become faithful subjects of the Russian Orthodox Church, loyal subjects of the Tsar, and useful citizens of Russia.

In a departure from his ancestors, whose educational policies allowed students from all estates, except serfs, to attend university and schools, Tsar Nicholas I established his own rules which prohibited children of different social origins from being educated together. This Tsar, who had received a professional military education, had no inclination to continue the idealistic dreams of his brother Alexander I. Convinced that all problems, including the Decembrist Uprising, were due to Alexander's democratic principles, Nicolas decided to abolish the previous educational system. His first step was to impose restrictions on allowing serfs to enroll in gymnasia and higher education institutions. Gymnasia and universities were now for the gentry only, and most of the students enrolled in gymnasiums and universities (73 and 80 per cent, respectively) belonged to the noble classes (Rosen, 1971). The authorities realized that education institutions established on the Western principles and ideas could cause considerable problems for the Tsar's autocracy. The events of the early nineteenth century, which included the French Revolution, the Napoleonic Invasion and the Decembrist Uprising, had a serious impact on the authorities' attitude to higher education in Russia. Their response was the establishment of secret police and the strengthening of the censorship to minimize the spread of the Western liberal ideas that would eventually lead to the Revolution. In 1827 and 1828, the government adopted legislation that reversed previous education policies by establishing classical secondary education and higher education for the upper classes, and vocational training for the masses. This change was a definite step back from the earlier education policies allowing for some social mobility. Although a new university was opened in Kiev in 1833, the new policy for higher education was nothing more than the suppression of any form of liberalism. Minister of Public Education, Uvarov, proposed the educational policy that proclaimed the importance of Orthodoxy, Authority, and Nationality (Brickman & Zepper, 1992). As a result, universities lost their autonomy; students' behaviors and thoughts were scrutinized; and tuition fees to keep the lower classes from entering educational institutions were imposed. Special government-appointed curators supervised professors and monitored their loyalty. Disloyal professors were dismissed. Students also received their own inspectors, who kept an eye on them. In 1850, the government abolished the Chairs of Philosophy as the teaching of philosophy was viewed as incompatible with the values espoused by the Russian Orthodox Church.

Since universities in Tsarist Russia were founded by the state and depended on it financially, it had considerable control over them. Russia's rulers, their policies, historical events, students' movements, and the relations between educated people and the government all contributed to the complex nature of Russian higher education. The Russian autocratic rulers were both the system's creator and fierce watchdog.

The few positive contributions of the regime included the establishment of the Moscow Institute of Technology in 1844, and chairs of pedagogy, which were added to the historical-philological faculties in the already established universities. By the end of Nicholas I's reign, students of the lower origin had been purged from universities, so that they had become officially privileged institutions for upper classes only. In addition to being reactionary, the Tsar's educational policies reflected the country's social structure, which was characterized by an absolute autocracy and the existence of serfdom.

Despite the oppressive absolute autocratic power and its enforced policies and purges, a new class – the Russian intelligentsia – had already been formed in the country. Among the most progressive political and social philosophers of the time were V. Belinsky (1811-48), A. Hertsen (1812-70), N. Pirogov (1810-81), N. Chernyshevsky (1828-89), N. Dobrolyubov (1836-61), K. Ushinsky (1824-70) and L. Tolstoy (1828-1910). All of these Russian thinkers, who dominated socio-educational theory during the 1830s and 1870s, shaped Russia's educational thought and philosophy. The Tsar's reactionary policies further widened the already existing gap between the government and intelligentsia, who resented these draconian measures. Without the establishment of elementary schools for the peasants, the development of the educational institutions would have been completely arrested under the rule of Nicholas I.

During the rule of Alexander II (from 1855-1881), major social and economic reforms took place in Russia. The Emancipation Proclamation adopted in 1861 brought about the abolition of serfdom. In the following years, the peasantry increased its demands for elementary schools. The existing class structure had to be adapted to the new conditions. Previous educational policies were abolished and the restrictions imposed by Nicholas I were reversed. In the first years of his rule, Alexander II began the reconstruction of the entire educational system. The ideas of the prominent Russian scientist and surgeon, Nikolay Ivanovich Pirogov, were taken as the basis for the new educational policies. The influence of his pedagogical views was invaluable for the generations to come. He sharply criticized the class system in education and believed that education should be compulsory for all citizens and be equally spread among all groups of society (Hans, 1964).

The conditions at Russian universities also required that immediate measures be taken. As the first step in that direction, the Decree of 1860 restored the chairs of philosophy in the universities. After student disturbances, first in 1858 in Kharkov and in 1861 in Moscow and St. Petersburg, the universities were closed in 1861. These events sped up the legislation regarding "the university question." In 1863, the Tsar signed the new University Statutes, which reflected the experiences of foreign educators and those Russian professors who had visited famous European universities and provided their recommendations. The Statutes reestablished universities' self- governance, increased professors' salaries and set new academic ranks, established fixed tuition fees, and lifted admission limits. In the following years, more reforms were introduced at the elementary and secondary levels, which would later have an impact on the university system.

During Alexander II's reign, the higher education system was expanded through both the establishment of a new university (the Imperial Novorossiisk University in Odessa, 1864) and professional higher educational institutes. The goal of the Statutes was to improve Russian universities, which were strategically located to spread the Tsar's influence in the European part of Russia and among its closest neighbors, such as the Poland and the Balkans. The eastern parts of the country remained relatively unimportant to the Tsar, as they did not bother the rulers with any significant cultural conflicts, and, therefore, were somewhat neglected. The first university in Western Siberia, Tomsk University, was opened in 1888, with the help of generous local funding.

The period of reforms and expansion lasted until new student riots occurred in 1899. Between 1860 and 1900, the government opened three new universities and 12 major institutes - with the majority again in the country's two centers – Moscow and St. Petersburg. (This precedent may explain the pattern of the development and location of modern universities and HEIs in Russia, which are still concentrated in the European part of Russia.) Many government measures resulted in a revival of the university system, which had almost come to a halt under Nicholas I. Although women were still excluded from participation in university education, and many went abroad for their higher education, during the second part of the 19th century, they were able to attend other higher educational institutions.

By the mid-19th century, Russian intellectuals were divided into two major camps known as Slavophiles, who saw the country's development thorough its own culture, and Westerners, who were advocating Western ideas. Despite their fundamental differences, both groups believed that the sons and daughters of freed serfs deserved a better fate than that of their parents.

Reforms started at all levels of education, resulting in the expansion of primary education and greater demand for higher education. In the 1860s and 1870s, the government became more concerned about students' unrest and sought to turn universities into closed institutions and even appointed outside inspectors to ensure student discipline. Examining the policies of that period, Hans (1964) stated that the great influx of young men from all classes and the comparative freedom that they now enjoyed at the universities prepared a fertile soil for political propaganda. During this period, a so-called "students' strike," a peculiar feature of Russian political life (p. 108), occurred for the first time.

The period from 1856 to 1881 in many ways signified the evolution of Russian education, which continued regardless of the government's reactionary decrees issued after 1866. These repressive policies officially ended the period of liberalism and again began an era of political conservatism. Reaction in education followed the assassination of Tsar Alexander II. His successor, Alexander III, hurried to protect his absolute autocracy by reviving the educational policies of his grandfather, Nicholas I, i.e. The trinity of Orthodoxy, Autocracy, and Nationalism. The first major issue that Minister Delyanov had to address was the "university question." Under the leadership of Delyanov, the specially appointed commission began the revision of the 1863 University Statute. The fruit of their work was the 1884 University Statute, which officially remained in force until the October Revolution of 1917. Ratified by Tsar Alexander III, the Statute insured central control over higher education. Historians and researchers recognized that although this act did not enable the government to gain complete control over universities, it certainly deprived universities of academic freedoms and put them under the constant supervision of the secret police. Johnson (1950) described the University Statute of 1884 as possibly the entire period's worst single act, whose evil results soon permeated every level of education and some remained in effect up to the end of Tsardom itself. The statute established the renewed state control of higher education, the abolition of academic freedom for both teachers and students, greater discrimination against the poorer classes, and more blatant and vicious ethnic and religious discrimination. While persecution of the slightest political unorthodoxy intensified, the chasm between the state and Church on the one hand and the people of Russia on the other continued to widen.

The adoption of the University Statute signified a dramatic shift in power in university governance and state policies. The Statute gave the Ministry of Education almost unlimited powers over faculty and rector appointments. World-renowned professors, including Mechnikov, Mendeleyev, and Preobrazhensky, were forced from the universities. Curricula shifted toward classics, and some courses were abolished (e.g., foreign constitutional law). At the same time, the government's financial support of higher education was steadily decreasing, and universities had to rely more heavily on student fees and junior faculty (Kassow, 1989). During the reign of Alexander III, the students' disturbances developed into a revolutionary movement. Students were arrested by thousands, and universities became centers of a political struggle against the Tsarist regime. Hans (1964) commented that it was evident that the government measures were ineffective in coping with the student movement and that quite a different policy was needed.

> The struggle became a vicious circle: the students revolted against the repression, the Government quelled their opposition, arrested and banished thousands of students, but new recruits filled the ranks and the movement would break out again with new force. … Thousands of young lives were ruined, national resources were spent without effect in this struggle, but the Government stubbornly continued the policy of repression. (p. 146)

Clearly, the policies adopted under Delyanov reversed the previous decrees aimed at democratizing of the educational sector. Instead, the new policies brought about a period of reaction and stagnation in education, which subsequently impeded Russia's progressive development.

Although in the nineteenth-century Russia, the conservative rulers reversed policies of the more progressive and liberal rulers, university enrolments continued to increase. In the early 1800s, the state created the university system to educate civil servants necessary for the growing state apparatus. University-level education became mandatory for promotion in the civil service tables of ranks introduced by Peter the Great in the 1720s. With the expansion of local governments (*zemstvo*) after the emancipation of the serfs, the state experienced an increased demand for state bureaucrats, doctors, lawyers, and teachers. As a result, from 1865 to 1899, university enrolments increased by 3.5 times (Alston, 1969)

The rule of the Russian Tsar Nicholas II from 1894 to 1917 is often referred to as the beginning of the end of the Tsardom. His reign was filled with many events that ultimately led to the abolition of Tsardom and the October Revolution of 1917. The Russo-Japanese War, the Revolution of 1905 and Bloody Sunday, the disastrous World War I, the February Revolution of 1917, and the rise and spread of Marxist ideas – all contributed to the end of the three-century-long Romanovs' rule.

These external and internal pressures could help explain the Tsar's policies in education, which were rather complex and at times contradictory. On the one hand, Russia's elementary and secondary education continued to expand. On the other hand, this expansion was accompanied by a ruthless nationalist campaign and clericalism (Johnson, 1950). In 1908, the government adopted the Universal Primary Education Law, which was expected to go into effect in 1922. Although this plan never materialized for obvious reasons, it was considered progressive for the time as it could have resulted in a more educated population and, possibly, a more democratic society in the future.

Political unrest during the first decade of the twentieth century significantly affected universities. Mass student and faculty expulsions paralyzed Russia's leading Moscow University. The reply to the measures taken by the government and the police, which often resulted in exiles, wounds, and even deaths, were students' demonstrations, protests and acts of terrorism directed against "the oppressors." For example, in 1901, a former university student shot the Minister of Public Education, Bogolepov (Johnson, 1950). In the 1905, after the infamous "Bloody Sunday," during which the police killed 1500 people, demonstrations occurred more frequently, and violence intensified. Students' strikes became a regular event in the life of the country. For these reasons, the government ordered the temporary closure of some universities and expelled thousands of students. The government had to revise university regulations in 1905, 1906, and 1911. Although the state attempted to amend the previously adopted University Statute of 1884 to reinstate university autonomy and some of the staff privileges, the university question was never solved, for the government's attention was constantly diverted to other matters. The change of education ministers always meant a shift in educational policies and interrupted the reform process. For example, Count Tolstoy's policies, although not realized, stated that universities were independent corporations, governed by their own authorities. A university's objective was to further knowledge, to promote education among the population, and to advance the scientific thought of students. All young men and women irrespective of their creed, nationality and origin were eligible to enter universities (Hans, 1964). After Tolstoy's resignation, the former repressive policies returned. The events that followed led to oppressive government decrees, which prohibited "public mourning," issued more stringent penalties for rule violations, and allowed the use of spies and provocateurs. These measures and the growing discontent with the Tsar's absolutism caused the students' riots. The universities became centers of radical thinking. Anticipating a disaster, the government had to devise a plan for them. Tsar Nicholas II instructed the Ministry to prepare a new university statute addressing the issue of institutional autonomy, which would restore an elective principle in universities and abolish the detestable inspectors. These concessions turned out to be too late to change the situation.

In the first decade of the Nicholas II's rule, the authorities established Higher Courses for women in every university town. Later, in 1909, the government opened another university, Saratov University. At the same time, the government reduced university enrolment, which reached its all-time high in 1909. Only in the last year of the Romanovs' rule, the enrolments slightly increased. In the midst of World War I and during the revolution, two more universities were opened in Perm (1916) and Rostov (1917) (Alston, 1969).

Thus, higher education policies of the last Russian Tsar reflected the contradictions within the regime. The policies of the five ministers who decided the fate of Russia's higher education were swinging like a pendulum from the liberal side and to the reactionary side. University self-governance was allowed and abolished; women were allowed to attend universities, were expelled from them and were allowed to attend them again; professors were discharged, students were expelled and readmitted. The last of the Romanovs' education ministers, Count Ignatiev, recognized the need for the liberal measures and new universities. His committee prepared university statutes that re-established the principle of autonomy and elaborated general measures for all higher education institutions, but this work was not accomplished due to his resignation and the subsequent revolution of 1917.

In the last century of the Romanovs' dynasty, Russian higher education developed into a system characterized by diversity and rapid growth. Kassow (1989) stated that between 1897 and 1914, the proportion of the student-aged cohort attending some kind of institution of higher education had increased remarkably. As higher education degrees were becoming more important not only for civil service, law, education and medicine, but for many other professions requiring technical training, several new types of institutions were opened across the country. They included military academies, specialized institutes, polytechnic institutes, women's institutes, commercial institutes, and private and state universities. Universities and some institutes were under direct control of the Ministry of Education, while various government ministries controlled the rest of the higher education establishments. Universities always stood somewhat separate from other higher educational institutions in Russia, since they had been established on the principle of the pursuit of "pure knowledge."

With the end of the Romanovs' regime in February of 1917, the new provisional government was established in Russia. Although this new government lasted until only the following October, the government enacted several laws concerning education: the government launched a campaign to eradicate illiteracy in the country, simplified orthography, improved teachers' salaries, and separated the state and schools from the Church. In higher education, the new government's initiatives led to more institutional autonomy and the founding of new higher educational institutions: Perm University, Don University, and Tiflis (now Tbilisi) Polytechnic Institute.

On the eve of the October Revolution, which brought with it dramatic changes and the new order, Russian higher education had already established itself and produced a number of renowned scientists and educational philosophers. It had moved amazingly fast from its infancy toward becoming a powerful cultural institution. In the 19th and 20th centuries, Russian universities cultivated national scientists who became famous around the world. For example, Nikolay Lobachevsky (1792-1856) a mathematician and founder of non-Euclidean geometry; Dmitrii Mendeleyev (1834-1907), Russian scientist who developed the periodic table of chemical elements; and Fyodor Dostoyevsky (1821-1881), a renowned Russian novelist, are among those people whose contribution to the sciences or humanities was recognized far beyond Russian borders. Inherited from the Tsars, the highly centralized education system was based on the principle of serving the needs of the state, with a heavy academic curriculum at the secondary level and a system of professional training for undergraduate students in universities and specialized institutes.

If in the 19th century the political authorities emphasized university expansion as a principal means for rationalizing the growth of the government, in the 20th century they promoted institute expansion as a principal means for rationalizing the growth of the economy (Alston, 1969, p. 90).

Higher Education after the 1917 Revolution

In opposition to the elitist, authoritarian and classical higher education of the previous Tsarist order, the Soviet political and educational visionaries came up with the idea of a classless, comprehensive education system founded on the main principles of the Marxist-Leninist ideology. The government stressed the need for the unity of general, polytechnical, and vocational education, which should be practical, scientific, anti-bourgeois, and religion-free. Illiteracy, requiring urgent measures, was among the most pressing issues on the agenda of the new Soviet government.

Romanticism and Experimentalism

A truly revolutionary change in the education system occurred after the October Revolution. The task, that of liquidating illiteracy, was historically justified and vitally essential for the young Soviet society. It required highly trained professionals for the various spheres of the national economy to promote the society's dynamic growth and social reengineering (Barbakova, 2003).

The modern program for education envisioned a comprehensive secular, unified, labor-oriented school system. The *Narkompros* or the People's Committee on Education issued directives regarding educational administration and the curriculum. This body also introduced compulsory co-education for all levels and eliminated the matriculation examinations. The new order's primary objective was to abolish the old Tsarist system of education, which was elitist and classical in character, and to replace it with one that would reach the illiterate masses. New types of schools were established to educate workers and peasants. These schools included professional-technical schools, factory schools, and unified labor schools that often combined general elementary and secondary education with vocational training. *Rabfaks* or workers' faculties were also opened to provide educational opportunities for inadequately trained workers. This system was to prepare workers for higher education, as the country needed to train its own non-bourgeois professionals and proletariat elite. University attendance was opened to anybody who had reached the age of sixteen regardless of his or her prior academic achievement. University academic ranks and degrees were abolished as the remnants of the past Tsarist regime. As the slogan of the day was "We shall build our own New World, and those who were nothing will become everything," the young country was ready to rid itself of its oppressive past and was searching for progressive ideas from around the world. Being familiar with ideas of the leading Western and American educators, the early Soviet educators willingly adopted them for the emerging Soviet education system. In particular, the ideas of Maria Montessori, John Dewey, and William James had a profound influence on those who were formulating the pedagogical thought of the time. Researchers and historians described this early Soviet period as "experimental" and "progressive." At the same time, the Russian teaching intelligentsia educated during the Tsarist regime found itself in a very difficult situation. In order to keep their jobs, instructors and researchers were forced to part with their previous convictions and to adopt the new Bolshevik ideology. Examining the post-Revolution period in higher education, Russian sociologist Sivertseva (1995) wrote that the attack on the intelligentsia had been so powerful, and living conditions had been so hopeless, that the intelligentsia had been forced to back down and give up its educational traditions, which it had won in the struggle against autocracy. In turn, the intelligentsia had had to accept not so much "the spirit as the letter of Marxist-Leninist theory" (p. 94).

Just as in pre-Revolutionary Russia, social sciences and humanities curricula reflected the interests of the ruling elite, the new regime wanted instructors to teach the new ideology of Marx and Lenin. Therefore, among the first steps of the education authorities was the introduction of departments for the study of scientific socialism. Already in 1919, Moscow and Petrograd (formerly St. Petersburg) universities started the course of lectures in the history of socialism (Sivertseva, 1995), thus building the ideological foundation of the Soviet Union.

Initially, the revolution caused a considerable problem in student enrollment. Many students left institutions because of the uncertainty and chaos. Although the government introduced open admission policies, the Civil War, hunger, and lack of adequate academic preparation prevented young people from entering higher educational institutions. After 1924, the situation somewhat improved, especially when the overall situation in the country became more stable. New universities were opened in several Soviet cities, including Baku, Gorkii, Dnepropetrovsk, and Irkutsk. Two universities – Warsaw and Dorpat (Tartu) reverted to their now independent countries, Poland and Estonia, respectively.

To firmly establish its new ideology and regime, the government also instituted Communist Party schools. These universities, which usually included the word "Communist" in their name, were established to train both Soviet and foreign leaders who would disseminate Communist ideas in their home countries. These institutions were opened across the country to reach its near and far regions. For example, Sverdlov Communist University (1919) was to educate Russians residing on the European part of the country, while Communist University of the Workers of the East (1921) was to educate those who lived in Siberia.

Back to the Future: The Conservative Period

After Lenin's death, Josef Stalin became the leader of the USSR. His vision for the "unmanageable agrarian mammoth" was to develop an industrial country, which could be created only through careful planning and an iron fist. The government inaugurated its first five-year plan (*pyatiletka* in Russian) in 1928 with Stalin's slogan "Cadres decide everything." The beginning of the five-year economic planning unveiled many inadequacies of the educational system, which did not address the needs of the country's industrial development. After the period of "romanticism and experimentation" came one of reaction. The government issued a series of decrees that specifically outlined the problems and deficiencies of the system and the ways to address them. Russian science, higher education and its expansion were considered crucial for the economic growth and the very survival of the young country of the Soviets. The government started the era of expansion by increasing the number of educational institutions. Some of them were formed from the existing universities by splitting them into specialized institutions teaching subjects such as engineering, agriculture, education, and medicine. New universities were also added to the existing ones. However, institutional growth shifted from universities to specialized technical institutes. Rosen (1971) stated that the explosive growth in tertiary admissions outran the capacities of the secondary school system. The balance was restored only in the late-1930s when at least one or two 10-year school graduates were available for each vacancy in higher educational institutions. The government also had to return to the earlier general education, which included knowledge of mathematics, physics, chemistry, languages, geography and other areas providing a fundamentally broad education as opposed to the polytechnical training, which now would be offered at industrial enterprises and farms.

Since the Soviet economy required better-trained specialists with comprehensive scientific backgrounds, higher education curricula were revised to allow for more time to master the academic and theoretical aspects of disciplines. The educational reform that began prior to the second five-year plan (1933-1937) among other things aimed at improving the quality of higher education. The social recruitment quotas that favored students from the working class and had priority over academic standards in the early admission policies of the Soviet government eventually gave way to higher academic standards.

The result of the policies adopted in the 1930s was the liquidation of illiteracy and also the emergence of the Soviet intelligentsia. According to Sivertseva (1995) the Bolshevik party's drive toward the global politicization of the life of Russian society resulted in the tragic breakup (in terms of methods and consequences) of the basic principles of the organization and functioning of the Old Russian intelligentsia. Many representatives of the Russian intelligentsia incuding academia were forced to leave Russia or were subjected to the notorious purges of Stalin's period.

However, as Sivertseva (1995) stated the Bolsheviks not only broke things down, they also built them by using tough and not always humane methods:

> They succeeded in achieving high effectiveness in their plans and programs, including in terms of the political conquests of higher education and creation of a new generation of Russian/Soviet intelligentsia. The most significant results included not only the liquidation of illiteracy, which is a disgrace to any country, but also the creation of a powerful scientific and intellectual potential, a contingent of specialists having a higher education, numbering in millions, and capable, under very difficult conditions, of meeting the economic, political, scientific, educational, and cultural needs of Russia. (p. 95)

Some of the representatives of this new intelligentsia became also known around the world. Audiences far away from the boundaries of the Soviet Union enjoyed the music of Dmitry Shostakovitch, Sergey Prokofiev, and Dmitry Kabalevsky. Sergei Eisenstein's film *Bronenosets Potemkin* was watched by millions of people worldwide and became a classic of the early cinema.

As Russia was moving from being a predominantly agricultural country toward becoming an industrial power, the Central Committee of the Communist Party (essentially the government) came up with its own vision for education. First, the authority of teachers and school principals was established with the new emphasis on academic standards and discipline. Even uniforms, reminiscent of the old Tsarist days, were reintroduced in schools. The grades that had been used during the Tsardom (from 1 to 5, or "very poor" to "excellent") were restored, which again put the responsibility for education on an individual rather than a group of students (a collective). Evaluation criteria and higher education admittance examinations were also specified in the government guidelines. Another example of changes included the 1938 introduction of higher education correspondence courses to make advanced education available to workers unable to attend courses during regular instruction hours. The milestone in curriculum changes was the introduction of the "Foundations of Marxism-Leninism" course in all higher educational institutions. For the first time in the history of Russian and Soviet higher education, instructors were evaluated based not only on their academic merit but also on their loyalty to the dominant ideology.

The most devastating war in Russian history had a profound effect on the country's education system. First of all, universal military service was instituted in 1939, which after more over 60 years and with some modifications, still remains in effect. In 1940, Stalin's administration had to introduce tuition fees for upper secondary and higher education because of rising training costs. Tuition fees remained in place up to 1956, and after that, all levels of education remained tuition-free for almost 40 years. Many important and contradictory decrees were adopted during Stalin's rule, reflecting perhaps the contradictory nature of the Generalissimus (his official title) himself. The decrees of his *Narkompros*, the People's Committee on Education, included the abolition of co-education in 1943 (which was restored in 1953), the restructuring of the system of Communist universities, the establishment of the Russian Academy of Pedagogical Sciences in 1943 to improve instructional methodology, and the upgrading of teacher training (pedagogical) institutes.

During the war years (1941-1945), many educational facilities, especially those located in the western part of the USSR, were seriously damaged. Some of the universities and research institutes had to be relocated away from the European part of the Soviet Union. The devastation that the war brought to the country and the losses in manpower led to a serious shortage of specialists immediately after the war. In the 1950s, higher education institutions had to accept more students to compensate for the lost specialists. This process was accomplished by establishing new educational institutions, utilizing the existing facilities, and also by making education accessible through evening and correspondence courses. This period of controlled growth in education yielded impressive results. By 1959, over two million students had been educated in almost 800 institutions, 33 of which were universities (De Witt, 1955; Grant, 1979). Immediately after the war, enrollments rose by 22.6 per cent (Brickman & Zepper, 1992). The established model of general and higher education at the beginning of Stalin's command would remain in place for almost three decades until his death in 1953.

Soviet universities usually consisted of several faculties; for example Philology, Physics, Mathematics, Biology, Geography, History, Chemistry, Philosophy, and Geology. Some universities also had Engineering, Medical, and Jurisprudence faculties depending on their size and geographic location. Each faculty consisted of several departments offering more than 60 different programs of study and specializations. As a rule, the required period of study lasted between five to six years. The majority of students were educated in the higher educational establishments known as "institutes." Institutes offered training in various professional fields including agriculture, arts, industrial engineering, education, medicine, and economics. Specializations ranged from electronic and aeronautical engineering to theatre and film studies. These institutions included several faculties and departments. The required study period ranged from 4 to 6 years. Other types of establishments included the so-called higher "Party schools," academies, extension-correspondence training institutes, military academies, and conservatories. Evening divisions and extension-correspondence programs were offered to those who could not attend courses during regular hours or had other work and family-related responsibilities. Enrolments in these programs were large, but the number of graduates was considerably lower. Despite much criticism directed at the inferior training, inefficiency, high dropout rate and other problems, these programs nevertheless provided a valuable alternative to students unable to attend higher educational institutions full-time.

All higher educational establishments had standard admission procedures and admission quotas, centrally set by the Ministry of Education according to the estimated number of specialists required for specific branches of national economy. Meanwhile, the high-school-age cohort was consistently growing, and secondary school graduates became the primary source of candidates for higher education. The supply of applicants was steadily increasing over the years and facilitated the introduction and enforcement of the principle of the academic selection. By 1954, many establishments received 3 to 4 applications for each available vacancy (*Vesnik Vysshey Shkoly*, 1958, p. 1). While some prestigious institutions had very high numbers of applicants e.g., 10 and more per vacancy), other, usually less popular establishments and specializations, suffered from the existing admission policies.

The end of World War II and the world's division into two major blocs (capitalist and communist) led to the imposition of totalitarian policies in education, scholarship, and culture. Educational policies after the war reflected the trends in Soviet politics and ideology. The Secretary of the Central Committee, Zhdanov, started his campaign, later referred to as *Zhdanovshchina*, to purify all areas of culture, education, science and scholarship. Zhdanov did not tolerate traces of the Western and non-orthodox Marxist thinking. Needless to say, similar to the reactionary campaigns launched by the Tsarist regime, the results of this totalitarian attack were devastating for the free thought and creativity of the Soviet people. Works of arts, literature, and cinematography were censored and shelved for decades. Some significant works of art and literature became available to broader audiences only after the end of Stalinism.

Despite the grim political environment in the USSR under Stalin, for three decades the Soviet policies yielded results that surprised many outside the country. In education, the government achieved considerable success in spreading higher education across the vast territory of the Soviet Union. Higher education institutions were opened in more that 270 urban centers. However, the majority of institutions were concentrated in the capital regions such as Moscow, with about 90 institutions, and Leningrad, with about 50 institutions. Thus, the pattern that originated during Peter's the Great time continued during the Soviet years. De Witt (1955) pointed out that despite the efforts of the Soviet government to expand the geography of higher education, nowhere else in the world could such a heavier concentration of professional training in a few select urban centers be found. That being said, one important issue should be kept in mind: the spread of institutions, besides reflecting strategic government planning, also represented the pattern of the population distribution in the country, for the majority of Russians live in the European part of Russia, or west of the Ural Mountains.

While the industrial and educational achievements during the post-Revolutionary era were quite remarkable in the Soviet Union, they were clouded by the uncertainty and presence of the dictatorial ruler – Josef Stalin. The last years of Stalin's totalitarian regime had a profound effect on philosophy, history, linguistics, and the biological sciences. Stalin's personality cult and the policies it produced permeated every aspect of education: the content, the methods, and the spirit. History books were rewritten to highlight the intellect and grandeur of the Generalissimus; his quotes, retouched portraits, and gargantuan statues were omnipresent. During this time, the pseudo-scientist Lysenko, blessed by the Central Committee, emerged as a powerful player in sciences.

Khrushchev's "Thaw"

Stalin's death ended a terrifying period in the history of the Soviet Union and its people. Nikita Khrushchev, who succeeded the Generalissimus, was a very colorful leader, one of the folks, so to say. His administration came up with the idea of *perestroika* or "reconstruction" (the term is usually associated with Mikhail Gorbachev). The new government's first important step was the denouncement of Stalin's personality cult, repressions, and his leadership mistakes during the devastating World War II, which cost over 20 million Soviet lives. De-Stalinization was a gradual process that brought about many changes in all spheres of life. The signs of "the Thaw," as it is often referred to, were very pronounced in education, science, literature, and art. Some of the events that received international recognition involved the beginning of space exploration.

The sputniks, satellites, unmanned spacecraft, the first man, and the first woman in space were the evidence of scientific and educational advancements of the previously predominantly illiterate country. While acknowledging its economic and social successes, the government had to reevaluate its earlier policies of "war Communism" and to bring the Soviet system in line with that of other industrialized countries.

> Khrushchev's response for education was its "polytechnization." He outlined his vision for education in a memorandum on strengthening the ties between the school and industry, every boy and every girl should know that in studying at school they must prepare themselves for work, for creating values that are useful to man, to society. Everyone regardless of the position occupied by his parents, must have only one road – to study and, having acquired knowledge, to work. (Khrushchev, cited in *Bringing Soviet Schools Still Closer to Life*, 1958, p. 4)

This document expressed Khrushchev's vision of how to rid Russian society of the evils of the old pre-Revolution society characterized by the great divide between manual and intellectual work. Initiated by the Central Committee and educational research bodies, the polytechnical period was in full swing from 1959 to 1964. The curriculum in general education was modified to include industrial practice and training. The aim of the proposed educational reform was "to bring school closer to life" and to bridge the gap between theoretical education and "productive labor." In 1959, after being debated at the Party congress and with the aid of the Academy of Pedagogical Sciences, the reform was officially launched. At the secondary school level, the reform introduced industrial training and experience for pupils, which they could accomplish through newly established programs of schooling. Theses included incomplete secondary education through Grade 8 and then through polytechnical schools with on-the-job training, as well as through 11-year general education – polytechnical schools, evening schools for working and rural youth, or secondary specialized schools. All of these forms of schooling were expected to provide enough training and opportunity to access higher education.

Another change introduced by the reform concerned the requirements for higher education admission. The reformers stated that higher educational institutions should admit primarily young people who had a record of practical work. Additionally, better conditions had to be created for young workers and collective farmers to prepare them for entering higher educational establishments (*Bringing Soviet Schools...*, 1958, p. 18). The law stipulated that 80 per cent of applicants would require two years or more of prior work experience. Their acceptance would be based not only on their secondary school performance and entrance examinations, but also on recommendations that they received from political organizations, their work supervisors, and respective trade unions. (This practice remained in place for several decades. Applying to university, I had to present a recommendation (or *kharacteristica* in

Russian) from my school and the employer in addition to a high school certificate and required entrance examinations).

In the view of the Khrushchev's administration, higher education had to increase the practical training related to a student's specialty. However, the reformers encountered many difficulties on the way, including the lack of appropriate facilities, trained teachers, the high drop-out rate, the narrow specialization in vocational education, as well as academic and practical training overload. With the dismissal of Khrushchev, the reform stalled and the polytechnical element was considerably reduced in regular secondary schools. Eventually, the 10-year school system was reinstalled, and this change helped the Soviet Union to reach its goal of universal secondary education by 1980.

The idea behind this educational reform was to return to the initial spirit of the proletariat Revolution and to strengthen "the proletariat hegemony." Khrushchev, himself from a working class background, criticized the values and attitudes of the modern youth, who, in his view, did not respect manual labor and were "divorced from life." Considering that Stalin's formal education was based on the Tsarist's educational heritage, Khrushchev wanted to develop a program that would reflect the ideas of Marx, Lenin, and Krupskaya (Lenin's wife and Soviet educator). Therefore, knowledge of Marxism-Leninism and the fundamental sciences was an important aspect of professional training. The following excerpt summarizes the ideas behind Khrushchev's transformation of education and society in the late 1950s and early 1960s:

> Our youth must be brought up in the spirit of irreconcilability to bourgeois ideology and any manifestation of revisionism. Instruction in social sciences must be conducted so that it is inseparably linked with the study of natural sciences, and it must help to develop in the students a scientific method of cognition. (*Bringing Soviet Schools*…, 1958, p. 23)

In Khrushchev's view, bringing school closer to life would create the necessary conditions for the improved education of the younger generation that would live and work under Communism. At this stage, all the slogans and of the Communist party, Marxism-Leninism ideological rhetoric, and other related discourses almost inevitably started to lose their appeal for the general population and for many meant nothing more that merely lip service to the old cause. For this reason, the government saw an urgent need to intensify the ideological aspect of the specialist training. The duty of professors, the Party, trade unions, and Comsomol (Young Communist League) organizations was to attend to the upbringing of the young people at higher educational institutions. The professors and these organizations had the duty to inculcate in the students a Marxist-Leninist world view, a love for work, the Communist morality, and the habit of social involvement (*Bringing Soviet Schools*…, 1958, p. 23).

Although the new plan called for greater regional autonomy in the development of educational policy, in reality the Ministry of Education and the Academy of Pedagogical Sciences had a monopoly over most aspects of education. The main authority in the field of higher learning was the USSR Ministry of Higher and Specialized Secondary Education, which controlled most of higher educational establishments in the country until 1959. The most important educational institutions, including universities, were under the USSR Ministry's direct jurisdiction. After 1959, the central government delegated some of its administrative authority to the governments of the Soviet republics, which established their ministries or committees subordinate to the central Ministry in Moscow. The latter controlled the overall higher education system; made decisions regarding admissions, textbooks, and teaching methods; and developed the syllabi and education standards. The committees in the Soviet republics were responsible for implementing the directives from the center and to regulating operations of the higher education institutions and schools in their respective jurisdictions.

Most institutions of higher learning had similar administrative structures, although some were more elaborate than others, depending on the size and the number of faculties. The head of the institution was a university rector or an institute director. The number of universities remained under 40 and were treated somewhat differently than other higher educational institutions in the Soviet Union. Unlike institutes that provided education in specialized, applied fields (engineering, medicine, and pedagogy), universities were training future scholarly theorists, researchers, professors, i.e., providing a broad theoretical and fundamental education. Universities accounted for approximately 10-15 per cent of the overall higher education enrollments in the Soviet Union (Rosen, 1971). The new government plan assigned universities a different role than that of other institutions of higher education:

> In the next few years it is necessary to increase considerably the training of mathematicians, especially in the filed of computing mathematics; biologists, and, primarily, biophysicists, biochemists, physiologists and genetics; physicists, particularly in nuclear physics and radio-physics; and chemists specializing in the field of chemical catalysis and high polymer substances. Computing laboratories equipped with electronic machines should be set up at the universities; university nuclear laboratories should be supplied with modern accelerators; radio-chemical and radio-biological laboratories should be established, etc. (*Bringing Soviet Schools*…, 1958, p. 20)

The development plans in the sciences were truly grandiose and ambitious. However, the government also stressed the importance of paying "increased attention" to the humanities, teacher training, and the training of medical specialists. Khrushchev's reorganization of higher education was expected to increase the number of highly qualified specialists needed for the national economy. The leitmotif of his time was that Soviet scientists should catch up with and surpass their Western counterparts (Castells, 2000). The government planned to open more institutions across the country, especially in Siberia, as well as in Russia's Far East and the republics of Central Asia. "The unjustified concentration" of higher educational establishments in Moscow, Leningrad, Kiev and some other urban centers had to be eliminated and corrected. However, although a number of new institutions were opened across the Soviet Union, the pattern of their distribution was more difficult to alter and remained virtually unchanged.

To accommodate the process of rapid technological innovation and to establish closer link between science and industry, Khrushchev started a new project aimed at emulating the American university campus model. With the advice of leading scientists, Khrushchev launched the construction of a "science town," known as Akademgorodok, outside the Siberian industrial and political center, the city of Novosibirsk. Since the 1960s, Akademgorodok flourished as a major scientific center with 20 institutes of the Academy of Sciences and Novosibirsk State University. All of its scientific institutions were expected to operate on the cutting edge of the disciplines and produced a number of talented scientists and intellectual leaders. In his analysis of success and failure of Soviet science, Josephson (1997) argued that persistent ideological pressures and financial uncertainties contributed to the failure of Akademgorodok to become a "New Altantis," although it still remains an important research center in Russia. Regardless of its scientific excellence, the desired link between science and industry never took place (Castells, 2000).

One problem that Khrushchev's educational reform attempted to overcome was the "shameful situation" that had started to emerge in higher education. Khrushchev wanted to make sure that students were sent to higher educational institutions not because they had influential parents but "because they [loved] the work and [were] capable of becoming specialists in the higher qualification brackets" (Bereday & Pennar, 1960, p. 25). In 1956, the government abolished tuition fees in the specialized secondary schools and higher educational institutions. To raise the enrolments and to encourage higher academic standards, the USSR Council of Ministers also introduced student stipends, which would be based on students' academic performance. This measure was designed to correct the enrollment demographics. Clearly, the government had become concerned with the stratification in society, supposedly classless, along the educational attainment line. Education, especially higher education, was the way for many to succeed in life and was becoming a strong social status marker in the Soviet society. Surprisingly, under the leadership of Khrushchev, who worked hard to bring the ideals of the proletariat to the forefront, the Soviet authorities introduced so-called "special" schools. These schools would provide a more rigorous training in mathematics, foreign languages, sciences, music, sports and arts. The annual academic competitions, or Olympiads, in the sciences and humanities became very popular and also helped to identify talented students who could continue their studies in these schools, many of which maintained close bonds with their university base or research institute. The earlier described Akademgorodok became one of the most famous communities of its kind in the USSR. These new developments again showed that the Soviet government continued to create controversial policies. On the one hand, it promoted the principle of egalitarianism and was successful in increasing the upward mobility of the population; on the other hand, it supported further stratification of the society, based on a person's education level. Many Western educators and observers scrutinized Khrushchev's reform and the issue of equality in education and provided their analyses and critique of it. For example, Bereday (Bereday & Pennar, 1960) argued that Soviet policy invested education not only with a cultural, but, most importantly, vocational character. Education, therefore, started to convey an "unusually potent social meaning for the Soviet people" (p. 72).

In 1970, another important event in higher education took place; the opening of the University of Peoples' Friendship (now Patrice Lumumba University) was opened in the capital of the Soviet Union, Moscow. This university offered education to students from the developing countries of Africa, Latin America and Asia. Many other higher educational institutions opened its doors to linguistically qualified foreign students into their programs:

> To help Asian, African and Latin American countries solve the personnel problems, the Soviet universities and colleges welcome students from these countries. Today about 24 thousand citizens of 130 foreign countries, including over 11 thousand Asians, Africans and Latin Americans, are students at Soviet educational institutions.... Many foreign graduates of Soviet colleges have now become top government officials, public figures, college heads and senior lecturers, industrial managers, etc. (Yelyutin, 1967, p. 67)

The establishment of such an institution and programs for international students expanded the market of educational services (although this expansion was viewed as an act of friendship and international assistance) beyond the borders of the Soviet Union. In a departure from the old practice requiring foreign students who wanted to study in the USSR to be sent by their governments, Khrushchev's proposal to admit students who expressed a personal desire to study in the Soviet institutions was an important step in opening up Soviet education to foreign citizens. To meet the language requirements, some institutions opened preparatory faculties where non-native speakers of Russian could master the language and academic subjects to upgrade their qualifications. Although an underlying ideological component definitely existed in the foreign students' curriculum, this development also meant that the sector of higher education had advanced enough to offer training to developing countries. In the Socialist-bloc countries, the

Soviet model of higher education was imposed and institutionalized together with the Soviet ideological and political system.

Moreover, international educational and cultural exchanges with capitalist countries became more frequent in the late 1950s and continued to grow in the following decades. In 1958, the United States and the USSR signed an agreement to promote scientific, cultural, and technological cooperation between the two countries.

Although Khrushchev's aspirations and policies were mostly abandoned after his dismissal, they still had an impact on both general and higher education. His emphasis on bringing education closer to life and his stress on part-time higher education led to a decline in the proportion of full-time students until 1965 (Avis, 1983, p. 200). The experience showed that this trend also led to an overall decline in the quality of education, so such policies were later reversed to overcome the problems created by this approach.

"Ripe" Socialism and Stagnation

The second long-term leader after Stalin, Leonid Brezhnev, started his leadership career in 1964 after the dismissal of Khrushchev. The period of his rule, which later resulted in what is now known as "economic stagnation," lasted for 18 years, until his death in 1982. The years under Brezhnev's leadership were filled with significant historic events. In 1967, Russia celebrated the 50-year anniversary of the October Socialist Revolution and the installment of the Soviet regime. Summarizing the achievements in the field of higher and professional education during the years of the Soviet state, the USSR Minister of Higher and Specialized Secondary Education, professor Yelyutin, reported that in 1967, there were 42 universities with a total enrollment of 433 thousand students (c.f., 13 universities with 42 thousand students in the Tsarist Russia), 227 technical institutes, 16 medical institutes, 14 agricultural academies and dozens of conservatories and art colleges. The total number of scientists and researchers in the Soviet Union stood at 711.552 (Yelyutin, 1967).

The politics of this period, including the international tension with China and the United States in the 1960s, the events in Czechoslovakia in 1968, and many other events all influenced the formulation of policies in many spheres, including education. During this period, the competition between the Eastern and Western blocs continued. Higher education was a major contributor to the modernization process in the USSR and to the transformation of the latter into a first-rate industrial and scientific power in the twentieth century (Rosen, 1971).

Government policies in higher education, however, would remain virtually unchanged for the followed decades. The adopted amendments usually dealt with strengthening the ideological work at institutions and the introducing new courses and programs. In their pursuit of qualitative results in higher education, the government expanded the system by opening new institutes and universities. The government's measures controlled access to higher education. The prevailing opinion was that the institutions of higher education could develop successfully when they could draw on the mass of talented people with appropriate educational background. The intention was to create a system with no "dead-end" school and where any type of secondary education certificate would make its holder eligible to apply to an institution of their choice. The policy of competitive entrance examinations to the HEIs was designed to select the most capable and prepared applicants. The government strongly promoted the policy of admitting to higher education solely on the strength of one's personal ability. The most capable, the best prepared should be enrolled regardless of nationality and social status.

> Higher education is accessible because it is free. Students pay no fees for lectures, laboratories, practical work, examinations or the use of library. They have free use of textbooks, study aids and literature of all kind. ... Most students (75 per cent) get outright government grants. ... Students enjoy free medical services and many of them go to sanatoria, rest homes [resorts] and tourist and sport camps for summer and winter vacations. (Yelyutin 1967, p. 38)

Indeed, many students in higher educational institutions were enjoying the above-mentioned privileges throughout their educational career. However, one important element is missing from this picture of the higher education policies. As the numbers of available places were determined by the government and often remained unchanged for years, the access to many institutions was becoming increasingly competitive. Although this development reflected the system's goal of selecting the best students, it also created unhealthy competition among eligible applicants and their parents. The numbers of available places at higher educational institutions did not correspond with the growing high school educated cohort. As a result, parents of applicants started to look for ways to ensure admission for their children. Tutoring and special preparation courses became popular among those who wanted to secure admission to a competitive institution or program of study.

Government policies in higher education were implemented by the USSR Ministry of Higher and Specialized Secondary Education, which carried out a wide spectrum of activities ranging from making provisions for specialists' training and coordinating the activities of the union-republic ministries, determining admission policies and enrollment quotas, as well as setting budgets, salaries, and degree-granting procedures. The Ministry also coordinated research at higher education institutions, arranged for the preparation and publication of teaching materials, and supervised international cooperation. By the 1970s, the Soviet higher education system was already a well developed highly centralized hierarchically structured entity

(Popovezc, 1976). Similar to other institutions in the USSR, the system was organized and administered based on the principle of the "democratic centralism," faculty members enjoyed considerable prestige in the society and received comparatively high salaries. The types of higher educational institutions included universities, polytechnical and monotechnical institutes, and academies. The USSR Academy of Sciences became a planning and organizational center for technological and scientific research and development throughout the Soviet Union. This body had authority over all existing research organizations in the USSR. It determined and coordinated the direction of research in the natural and social sciences, formulated research plans, and supervised international contacts.

Examining the trends in student recruitment in the 1970s, Avis (1983) noted that the seventies were the years of challenge, paradox and change for student recruitment in the Soviet Union. The government adopted measures to direct the educational and career choices of school graduates. The campaign launched by the administration raised the prestige of the professional technical schools (PTUs) and technical colleges (technikums), which changed their programs of study to provide not only vocational training but also to put more emphasis on complete secondary education. Avis (1983) argued that after decades of unrivaled prestige, higher education began to lose some of its attraction. He observed a general shift away from formerly popular courses in engineering, technology, mathematics and physics. Humanities and arts took their place in the prestige ranking (p. 203)

Overall, the higher education system during the Brezhnev's era was considered successful because it continued to turn out, according to statistical data, large numbers of qualified specialists. The authorities often overlooked the problems of training quality, underfunding, lack of necessary modern laboratory equipment and facilities. By the late 1970s, the preoccupation with numbers and the pronouncements of economic and political accomplishments produced their first negative results: some branches of industry started to experience severe manpower shortages. Much criticism was later directed at the declining academic standards, especially in engineering; the poor pedagogy; and student overload. The notorious bureaucracy in higher education significantly impeded its efficient functioning. Besides the Ministry of Higher and Specialized Secondary Education, the national educational institutions were under the jurisdiction of more than 70 various ministries. The lack of coordination between the branch ministries led to the duplication of programs, increased specialization of courses, wasted resources, and resistance to national goals, all of which contributed to the decline in higher education. While higher educational institutions continued to produce an army of graduates, some researchers suggested that the quality of training and academic standards had gradually declined. One of the main cited reasons was serious institutional under-funding, which led to further deterioration of laboratory equipment and teaching facilities. Much criticism regarding academic standards, poor specialist training, inappropriate pedagogy, and lack of research was expressed in the press. Although the government adopted a series of decrees in 1972, 1978 and 1979, and Communist Party Congresses of 1975 and 1981 acknowledged the existing problems in higher professional education and engineers' training, hardly any concrete measures were taken to improve the situation in the sector. The inertia throughout all levels of higher education impeded the implementation of the proposed reform measures (Avis, 1990).

The last decade of the Brezhnev's leadership is often referred to as a decade of "stagnation," which not only permeated the economy but had a negative effect on social life and all levels of education. Quite often behind the proclaimed numbers and successes were lies and inflated estimates. Everyone in the whole country seemed to competing to be the biggest fabricator was. The government was loudly pronouncing that the country had reached the stage of developed ("ripe") socialism and cited statistics to support this claim, whereas the people, although experiencing a severe shortage of goods, kept falsifying the statistics to please the government and the Party. By the end of Brezhnev's era, these lies had reached gigantic proportions, as had his personality cult. The existing situation had a demoralizing effect on the general population and a negative impact on social institutions. Brezhnev's leadership is now associated with conservatism, inertia, inefficiency, and statism. Castells (2000) defined "statism" as a social system organized around the appropriation of the economic surplus produced in society by the holders of power in the state apparatus. Such a system is oriented toward power-maximizing and increasing the military and ideological capacity of the state apparatus.

At that stage of modernization of the Soviet Union, many experts recognized that the state had succeeded in reaching its goal of shaping the country into an industrial world power. Higher education was a major contributor to the achievements in computer and radio electronics, space and atomic technology, and various branches of industry. At the societal level, the success of the systematic planning was reflected in the growth of professionally trained women and available manpower. Despite the shortcomings of the centralized planning, by the 1980s, the Soviet Union had more scientists and engineers, relative to the total population, than any other country in the world (Castells, 2000).

Perestroika: Russian Higher Education Again

The *perestroika* (transformation) endeavored by Mikhail Gorbachev was not the first one in the history of the Soviet Union. However, its magnitude and the publicity surrounding it made it the only one well known to most people in the West. The events that took place twenty years ago precipitated the beginning of the dramatic changes that effected the majority of people in the country and many beyond its boundaries.

In June of 1986, the Soviet government under the leadership of Gorbachev published the draft of the educational reform. The document, *The Basic Guidelines on the Restructuring of Higher and Specialized Secondary Education*, pointed out “many unresolved and negative phenomena” in the training and employment of graduates. These unresolved issues were the product of the previous economic and higher education problems that the government had failed to resolve. Gorbachev’s administration claimed that its reforms would represent a radical departure from the previous policies and would aim at changing the relations between higher education and the national economy. Recognizing that higher education was not an autonomous entity and was closely liked to the economic and social structure of the country, the government proposed measures to better integrate higher education and the economy. Some of the proposed measures included a cost-sharing by the organizations and enterprises that employed the graduates, contracting out research to post-secondary institutions, and outside funding. These measures would ensure greater efficiency in meeting labor market demands, developing more relevant curricula, providing better-quality instruction, and increasing the research output contributing to the economy. The government’s concern for the quality of higher education led to the introduction of tests in higher educational institutions. In 1988, Academician Ligachov reported to the government test results of 17 thousand first-year students in mathematics, physics, chemistry, biology, languages and other disciplines. Twenty five per cent of students who had received in their high school certificates had failed the tests. The results of the 1987 mass testing were unprecedented, scandalous, and sobering. The myth of the superiority of the Soviet higher education started to fade away. The priority of the current reform became to raise the standards of teaching and learning. To achieve this goal, the government instituted methods reminiscent of the pervious regimes, which included state-appointed inspectors who would regularly visit the education establishments and publish detailed evaluations of the operations of each individual institution (Materialy …, 1988, p. 5).

Higher education curricula would become broader to reflect the needs of the economy and to make students more adaptable in their professional lives. The numbers of lectures were considerably reduced in favor of seminars, practical classes, and individual study. The government also suggested that the old modes of instruction be revised and that a more interactive approach (discussions, role-playing, etc.) be implemented.

The political changes that were brought about by Gorbachev's perestroika were evident in the higher educational policy of the period. The policy stressed three major trends that needed to be addressed. The first trend can be identified as "humanitarization," which emphasized the importance of new curricula free of the previous ideological indoctrination. This process was accomplished gradually through first changing the contents and names of the courses (for example, "Scientific Communism" was renamed "Scientific Socialism") and then abolishing them. Institutions started to offer new courses (e.g., art history and ethics) that were to provide broader knowledge in the humanities regardless of the area of a student's specialization. Foreign language instruction was revised to provide better training for specialists in all fields of study. The second trend, known as "humanization," demanded more individually directed pedagogy and new methods of instruction. The third trend was related to overall democratization of higher education, which applied to institutional governance and instructional operations.

Gorbachev's reforms started with a declaration of new societal and educational ideals and a sharp criticism of the previous policies. According to Kerr (1992), the proposed reform of higher education was at its heart economic and was designed to alleviate the labor shortage in key industries. The reforms of both general and higher education resembled traditional Soviet plans that were centrally developed, conservative in form and substance, "submitted for popular inspection through controlled discussion in the press, and designed ultimately to change little in the structure of the system of education itself" (p. 147). As a part of the reform, the government attempted to form a closer collaboration between higher education institutions and industry by establishing joint scientific-instructional-production entities (complexes) that would partly fund HEIs. The major portion of funding would continue to be the federal budget.

The government's education reform of 1986-87 proposed to improve Russia's economy by strengthening links between the HEIs and the industrial sector and providing better specialist training and collaborative research activities. Among other proposals to overcome the deficiencies of the previous decades and to address the quality of student training, the government stressed the need for tighter admission standards and overall improvement of the facilities and resources available to students and staff. At the organizational level, a more centralized form of planning, coordination and control was offered in order to make the processes less bureaucratic. Academic staff received new powers in self-governance and curriculum development. The basic principles of the reform articulated in 1986-87 included improving quality by raising standards and eliminating weak students and institutions, adopting more targeted admission arrangements, and instituting revised curricula with great emphasis on student participation in scientific research. The reform was also to achieve greater independence and diversity within a context of more rational use of scarce human and material resources (Balzer, 1994). The plan proposed by the Gorbachev government had three main themes: higher education and economy; the form, content, and the processes of higher education; and improved organization and administration of higher education (Kerr, 1992). Although the 1987 proposal promised many changes for higher education, many researchers (e.g., Balzer, 1992; Jones, 1994; Kerr, 1992) pointed out that the results of this reform were disappointing. Bain (2001) argued that this reform failed because of the conservatism inherent in Russian education and socio-economic systems. In examining education reforms in the Soviet Union, Zajda (2003) argued that most of the reforms in the 1960s, 1970s, and 1980s failed because of the following factors: (a) the absence of a sense of ownership by all stakeholders (reforms were from the top down, at the ministerial level); (b) the failure to reflect regional and local cultures; (c) the lack of adequate funding; (d) the lack of necessary training; (e) the absence of visible benefits to students, parents, employers, and local communities; and finally, (f) the absence of monitoring devices.

During the 1980s, the education system of the Soviet Union remained highly centralized and was a fairly homogeneous entity (Dunstan, 1992). The central education ministry and regional education authorities controlled various aspects of the Soviet education system and its operation, including curricula, personnel, enrolment and other elements of education at all levels. The national government regulated universities in terms of numbers, size, admission criteria, staffing, and even course content. While changes in higher education during the late 1980s were slow to come, and many proposals did not materialize, the reform prepared the foundation for further changes in education policies during the 1990s. One important point is that perestroika was not an end in itself, but was an on-going process.

Since the 1990s, the situation in higher education sector has become even more complicated. The financial difficulties of the central government led the state officials to propose that local governments pay for higher education and that the state should pay for education of only those specialists who were "needed" for the national economy instead of paying on the basis of the number of students enrolled (Jones, 1994). This move towards decentralization created complex relationships between local, regional, and federal authorities, especially in the sphere of higher education financing.

Synthesis

The account of the origin, development, and progress of Russian higher education reflects the dynamics of the historical processes that have been taking place for over two hundred years. The creation and reformation of higher education mirrored the specific realities of the country, its cultural and industrial evolution. All of these elements created a system that had specific institutional characteristics, some of which have survived throughout different regimes, political epochs, and crises. These characteristics speak of the distinct institutional pattern that has emerged in the country and that differentiates the Russian higher education system from other countries' systems.

The first feature of Russia's higher education system reflects the relationship between the government and the institutions of higher education. From its very inception, public higher education was controlled by the Tsars and then was later controlled by the Soviet and Russian government bodies. Policies were often formulated at the top by the designated authority, and institutions were to follow them. Starting with the University Statutes of the 19th century and from then on, the government essentially controlled all aspects of the sector's development and growth. It determined the number and types of educational institutions to be opened in the country, the number of students to be admitted, and the specialties that they should be admitted to.

According to Cummings (2003), the new Soviet State from the very beginning intended to use central government funds to finance education. The reliance on state support for education went along with standardized curricula, admission procedures, textbook production, and distribution, and other centralizing tendencies. The Ministry of Education determined the programs and set the standards for educational institutions. At different stages of Russian history, the government also concentrated its attention on students, professors, social origin, political views, gender, ethnicity, and the language of instruction. Since the state was a major resource provider, it had the power to define the role and purposes of higher education.

The second enduring feature inherited from the Tsarist time was the distinction between universities and other institutions of higher learning. Universities stood separate from specialized institutes in that the former were to provide broad scientific and theoretical knowledge rather than train for a particular professional field. The Tsarist educational bureaucracy considered universities the elite institutions within its educational system. Although since the early 1920s, newly opened universities became more involved in professional training, they continued to be treated differently than other higher educational institutions. The number of universities remained considerably low up to the 1990s compared to that of specialized institutes and academies.

The stages of the development and reforms in Russian higher education showed that the policy changes were often prompted by significant external and internal events, including wars, reforms in European universities, public unrest, and student and political movements. Cummings (2003) argued that the magnitude and abruptness of the political shifts influenced the extent of the education reforms and were closely associated with class realignments. The latter were visible in education policies of the Bolshevik's and, later, Lenin's and Stalin's governments. The development of higher education in Russia suggested that education reforms were closely associated with political shifts and economic factors. Educational reforms in the early years of the Soviet State presented a classical example of how a political shift and class realignment transformed the system from elitist to one for the masses.

Throughout the Russian history, the government sometimes borrowed policies and models from the West, and sometimes rejected and vehemently opposed them in an attempt to distinguish its university system from that of the West. These two approaches seemed to yield contradictory results. Borrowing policies from other countries and applying them without any discussion and consideration of the national culture and a nation's education most likely led to failed reforms, opposition, and skepticism.

Educational policies and institutional patterns reflect the cultural, political and economic circumstances that make a society distinct and unique. Williamson (as cited in Ballantine, 1993, p. 341) argued that an education system would reflect the political structure and distribution of power in society. One must understand the historical comparative context of a country in order to encompass its past, presents, and future environments (p. 341). Analyzing the history of Russian higher education, Johnson (1950) pointed out the enduring character of Russian society and its distinctive consciousness. He stated that orthodoxy (conformity) whether political, economic, historical, or aesthetic appeared as the lodestar of modern and old Russia:

> There is much evidence that despite the most cataclysmic social upheaval that the world has ever known, the enduring character of Russian society has compelled a return to many pre-Revolutionary practices, not only in education but in other fields as well. It appears that many of the radical ideas imported from abroad, and blatantly espoused during the early years of the Soviet regime, have proven inassimilable in Russian culture and have been superseded by indigenous concepts which two decades ago were outlawed and despised. ... The Revolutionary talk about "smashing the old order of things" may have been good internal propaganda for a nation in flux, but behind the scenes the structure of the new state was rapidly being built on the remnants of the old. (p. 260-261)

Built on the old Tsarist foundation, modern higher education in Russia inherited a number of features of the previous epoch. However, the political shift brought by the Bolshevik Revolution of 1917 caused major class realignments in Russian society. In education, the Soviet Union consciously promoted a more egalitarian society (Popovezc, 1976). During the eighteenth and ninetieth centuries, the opportunities for higher education were open mainly for the sons of the upper classes, while the rest of the country remained predominantly illiterate. The Soviet government explicitly stated in its educational policies the desire to eliminate the obstacles to access higher education. This desire was implemented by establishing a free, secular, co-educational national school system and by admitting students regardless of their nationality and prior education. Admission policies continued to change under Stalin and Khrushchev, reflecting their political and economic aspirations. However, from the 1960s, the Soviet officials promoted the policy of admitting the "best-qualified" students. Detailed requirements for university admission had been developed over the years to assure that the institutions would receive academically prepared and highly motivated students.

At the institutional level, Russian higher education represented a distinct system that was a result of the centrally planned economy. Although modeled after French and German systems, Russian higher education had its own unique institutional characteristics distinguishing it from other Western European systems. For example, in the Soviet Union, university teaching, scientific research, and industrial production were institutionally separated, which later proved to be detrimental to the research activities in these institutions and the country's research and development in general.

Moreover, the specific features of Russian higher education were diffused throughout most of the Socialist bloc countries. This diffusion could be attributed to the dominant political, military, and economic position of the Soviet Union among these states after World War II. According to Ballantine (1993), the former Soviet Union and other Eastern European societies must be understood as Socialist societies whose special features flow historically from their program of industrial development. At the same time, the Soviet system served as a model for the development of a number of agricultural countries. Cummings (2003) argued that educational patterns formed in the core nations were usually spread by their respective colonial and/or ideological systems. The Russian Socialist pattern influenced Eastern European countries, Cuba, China and some developing countries that either had their specialists trained in the USSR or cooperated with it.

Societies usually devise education systems that best meet their expectations and needs. Similarly, the Soviet education system was designed to serve the goals of the state and society and to accelerate its economic development. In the Soviet Union, specialist training in the sciences was considered most important for the country's economic modernization. Guaranteed free access to higher education was a significant accomplishment that helped the nation to achieve excellence in many fields of science and technology and to create a well trained work force as well as Nobel-prize-winning researchers (Bain, 2001). Higher education's orientation toward the state's needs, its openness to all social classes, and its fundamental character were cited as the principles that traditionally served as the basis for the expansion of the system of higher education in Russia (Sadovnichii, 2004). These distinct features pointed to the unique pattern that emerged and developed in the country after the establishment of the Soviet State and that was later diffused throughout Socialist countries.

The pattern of higher education that evolved in the Soviet Union emerged as an outcome of the revolution of 1917. The main tenants of the education policy were developed immediately after the revolution and were realized within the following two decades. Although the new approach to higher education was a great departure from that of the past, in the later years, some prior traditions that had existed during the Tsardome established during the Tsardome (e.g., grading system and examinations) were reinstated. Thus, the modern pattern of higher education was a combination of some old traditions, borrowed ideas, and the new political design.

Summary

The overview of the genesis and evolution of Russian higher education highlighted the specific features of the system in connection with the history of the Russian State. Instituted by Peter the Great in the 18th century, secular higher education was modeled after that of German and French universities. When the Russian Empire entered its own era of scientific and education expansion, world science had already reached the highest point of its development at that time. According to Academician Sadovnichii (2004), organized theoretical knowledge in the form of Newtonian mechanics, Leibnitz's mathematics, Lomonosov's chemistry and Lamarck's biology became the foundation for the academic sciences, universities and general education in Russia and contributed to the "fundamental character" of Russian higher education (p. 23).

After the 1920s, the system underwent dramatic political and structural changes and has expanded to train a large number of specialists needed for the modernization of the growing country. Whereas traditional Tsarist education was elitist, classical, and authoritarian, Soviet education became popular, secular, technical, authoritarian and highly centralized (Popovecz, 1976). The Soviet education pattern emerged as an outcome of a major social revolution and emphasized the development of professionally trained proletariat elite with a Socialist consciousness.

Reflecting the historical trends in the country, higher education was also performing the important political task of creating citizens for the Socialist society. Higher education played a significant role in the social transformation of the previously illiterate and predominantly rural Russian society. Education was considered a crucial factor in promoting social and economic progress of the nation. The result of the earlier government policies were the elimination of illiteracy and the establishment of free, compulsory, secular general co-education in the USSR. Major accomplishments in industry, space sciences and the nuclear energy sector were attributed to deliberate government measures to expand higher education and research during the first 50 years of the Soviet State.

However, many features of the modern higher education system, as it emerged during the first decades of the Communist regime, were inherited from Tsarist Russia. Universities concentrated mainly on training educators and researchers in the sciences and humanities and provided a comprehensive, theoretical education. Polytechnical and monotechnical institutes prepared specialists for the national economy (e.g., agriculture, medicine, and aviation). The USSR Academy of Sciences (established as the Russian Academy of Sciences by Peter the Great in 1724) coordinated most of the fundamental and theoretical research conducted in universities, specialized institutes, academies, and research institutes. This structure was very distinct from other the systems that existed, for example, in the United States with its land-grant universities, where most of the research is being conducted. Perhaps, the criticism of the international agencies (e.g., the OECD and the World Bank) and researchers (e.g., McMullen, 2000) in regards to the "deliberate separation" between research and teaching should be directed to Peter the Great and those after him, who established and continued the separation between teaching and research. For many decades, the Soviet government was developing higher education and research along the previously established lines, but from a different ideological perspective.

Although the Socialist education system was based on the Tsarist system, the former had clear political aspirations to get rid of "the old world" and to build a "new," fundamentally different, world. Thus, ideological education (or as some refer to it, "Communist indoctrination") was also a major part of the education curricula through all levels of education. Higher education institutions in the USSR were required to teach the courses in Marxist-Leninist philosophy to instill the dominant ideology. Like other branches of the Soviet system, higher education was organized according to social, political, and economic needs, reflecting the Soviet Union's institutional structure

An understanding of a particular education system involves a consideration of various factors – historical, cultural, institutional, and political – that shape the system. Educational policies adopted in the course of over two centuries of the existence of the Russian higher education system were closely related to historical events, and political and cultural ideas circulating at the time. Both Tsarist and Soviet educational policies were similar in that, depending on a particular epoch, they were either progressive or reactionary in character, reflecting the contradictory nature of the Russian monarchs and party leaders alike.

APPENDIX B

THE WORLD BANK PROJECTS IN RUSSIA

The Education Innovation Project (1997) was to provide support to the reform of textbooks as well as limited support for tertiary education. The objectives included (a) improving, in selected higher education institutions, the quality and quantity of social science education; (b) establishing a better governance system; and (c) encouraging efficiency in the use of resources. By establishing the Higher Education Innovation Fund the Bank expected to encourage the reform of selected institutions and to establish the Innovation Fund focusing on international best practice and on the development of social sciences and governance and management reform.

> The Innovation Fund Component would encourage the reform of selected Higher Education Institutions and would demonstrate how to effect considerable savings to the federal budget without loss of quality by, for example, amalgamating non-efficient institutions; improving teaching methods; encouraging reduced teacher-student ratios, strengthening social science education, promoting greater efficiency in use of public funds at HEI level through increased accountability and transparency. In addition, the focus of the IF on the social science education will prepare graduates for a market economy and a democratic society and will ensure a supply of well trained graduates for Government agencies and business. (World Bank, 1997, p. 3)

In 2005, the World Bank published a summary of the project. In particular, the Bank stated that the overall project design met the immediate needs of the country. More importantly, it set the stage for a successful series of projects in the education sector. Although the project had limited objectives, it was intended to set the stage for broader systemic change.

> With regard to higher education component, the quality and quantity of courses available in the social sciences improved as can be seen by the beneficiary survey results. With regards to the governance and efficiency of higher education institutions, project activities introduced a comprehensive planning process into the university system, starting the practice of making universities publicly accountable for the use of funds. (World Bank, 2005, p. 4)

The success of the project implementation was presented in the form of attainted "output targets," which included (a) increased quality of educational component in social sciences; (b) increased quantity of provision of social sciences courses; (c) improvement of governance of HEIs involved in the project; (d) improved efficiency in the use of resources; and (e) spin off effects.

At the institutional level, the project had substantial impact on most of the HEIs which were involved in the project, both substantively in terms of new course development and on the planning and budgeting for the participating institutions. At the central level, there were significant spin-off effects to non-participating universities which were involved in networks with universities receiving assistance under the project.

According to the World Bank (2005) the project should generate savings in educational costs as a result of more efficient use of resources in HEIs and incentives for more transparent management and accounting practices within institutions. The examples of the types of activity that were developed under the higher education grant included the creation of new structures within universities and new models and mechanisms of financing. For example, the marketing department, centers of normative expenditures, investments, and strategic management were opened in several universities. In addition, differing approaches to financing higher education with respect to the balance between "university part" and "structural" part within money owned by university structures were developed.

In May 2001, the Bank approved the second education related project. The loan in the amount of US$ 50 million was to support the Russian government efforts to improve efficiency and access to good quality general and vocational education through the Russian Federation. In providing justification for this loan, the World Bank stated that,

> The education system of the Russian Federation has long been a source of strength. Most school-age children have access to school places, and nearly all adults are literate. But rapid decentralization and demand for new skills prompted by the transition to a market economy could put the achievements of the past at risk. (World Bank, 2001a, p. 1)

The project consisted of two main components. First, at the federal level, the project was expected to support the education reform of the Russian government through the development of new policies, services and procedures. Second, at the regional level, the project would pilot essential reforms in general and initial vocational education in three selected regions. A large portion of the loan, approximately 73 %, would be used for the pilot educational reform programs. The pilot project mentioned in the Bank's appraisal document was the on-going experiment known in Russia as the Unified Standardized Examination which is expected to replace the previous university admission system with the one considered more efficient and objective.

The education project piloted a set of reforms in three regions (Samara, Yaroslavl, and Chuvash Republic) with the goal of replicating successful experiences across the country at a later stage. The project aimed at (a) testing at the federal and regional levels of models and mechanisms to establish organizational and economic conditions for improving the quality of education; (b) bringing the contents of education in conformity with the changed demand of labor markets and employers; and (c) improving equity of access to high quality education. All the components of this project were closely linked to the education system development strategy as approved by the Russian government and were part of the major long-term socio-economic activities of the government (World Bank, 2001b).

The leader of the Bank team working on the project, Mary Canning, stated that at the federal level the project would build capacity to support the education reform strategy of the Russian government through the development of new policies, services and procedures (World Bank, 2001a). At the regional level, the project would implement essential reforms in general and vocational education, including the introduction of a transparent and equitable financing system which would assist schools to use existing budget more effectively on a "money follows the student" principle.

The project would also develop a quality monitoring and assessment system which would lead to a national system of measuring student outcomes, "thus ensuring more equitable access to higher education and training places" (World Bank, 2001a, p. 1). The Education Reform Project has a maturity period of 17 years, including a 5-year grace period.

Concerning the public opposition in Russia to the government education reform, the World Bank suggested that the authorities start a public relations campaign necessary to explain the benefits of reform and public involvement to the education community in general, and to stakeholders, such as prospective employer, in particular. The communication strategy should spell out how analysis would be done and include the dissemination of results to professional, political and public audiences in appropriate forms. If this were done properly then a "climate of acceptance" would be created from the start (World Bank, 2001, p. 9).

In 2004, the World Bank approved a US$ 100 million loan for the first phase of a total $ 300 million Adaptable Program loan to the Russian Federation for the e-Learning Support Project. The first phase of the project was to support education modernization goals and help promote accessibility, quality, and efficiency of education. The project's objective was to assist the Russian Federation to reorient its educational system to the global information society through the development of strategic planning and quality management approaches to the introduction of ICT in education of teachers, general and initial vocational educational institutions and systems (World Bank, 2004, p. 3).

> As a result of the project, the majority of schools in project regions, and leading model schools in some other regions, will move to a level of ICT use in teaching and learning that will result in the efficient use of digital learning resources and electronic tools necessary for full participation in a knowledge society; promote active and independent student learning; and encourage the flexible organization of learning. (World Bank, 2004, p. 1)

The World Bank project team expected that an outcome of this project would create enhanced labor market relevant learning opportunities for students, regardless of their social status or geographical location. The leading Russian and international experts designed the plan with substantial involvement on the side of the Ministry of Education and the Ministry of Communication. The terms of the loan included a 5-year grace period and 17 years' maturity.

The thrust of the project is to support a shift in learning strategies and outcomes from so called old skills said to be taught in Russia (memorization, working alone, routine, etc) to those that generate new skills (problem-solving, teamwork, flexible and self-correcting modes of operation). The underlying assumption is that the broader introduction of ITC in teaching and learning would also change the way the teaching is presently conducted in Russia. In addition, a shift in teaching and learning strategies can have a positive impact on labor-market performance, as international evidence suggests that people with these new skills are more likely to get highly skilled jobs regardless of level of their education. In general, the World Bank team of experts predicted that the project would bring a number of potential benefits. The Bank's assumption that stems from its mission statement is that a modern and efficient education system drives economic growth. "The improvement of human capital is a prerequisite for the alleviation of poverty and the growth of competitiveness" (World Bank, 2004, p. 36).

Besides its lending role in the process of education modernization, the Bank referred to the added value that came with the organization's involvement in the project. Specifically, the World Bank (2004) mentioned that during preparation of the sector study on the use of ICT in Russian education, as well as during preparation of the project, the Bank had provided the Russian government with international experience and best practices in the use of the ICT. The technical dialogue with both international and national experts was very fruitful and ensured that Russia was "a recipient of the best state of the art experience in this critical moment" (p. 22). The Bank invited other donors to the dialogue during the project preparation (e.g., the European Union, the Open Society Institute, the British Council, and the Government of Finland).

According to the World Bank, it is probably the only international organization with sufficient resources to assist in a sector wide policy reform in education in the Russian Federation. Moreover, the Bank has the capacity to mobilize and consolidate other donor support. For example, the 2001 Education Reform Project was complementary to the on-going projects of the European Union, the European Training Foundation, the OSI and the British Council (World Bank, 2005). Since 1992, when the Russian Federation joined the World Bank, the organization's commitments to the country totaled more than US$ 13 billion for 58 operation (World Bank, 2004).

World Bank's Publications

Higher Education: The Lessons of Experience (1994)

In 1994, the expert group of the World Bank published the book *Higher Education: The Lessons of Experience.* This publication examined the main dimensions of the higher education crisis in developing countries and explored strategies and options to improve the performance of higher education systems in developing counties and the countries with transitional economies. The Bank started the book with a statement that higher education was of paramount importance for economic and social development. Despite the clear importance of investment in higher education, the sector had been in crisis throughout the world. With the reference to the crisis it was argued that in all countries, higher education was heavily dependent on government funding, which became increasingly problematic in the era of fiscal constraints (World Bank, 1994). In order to overcome this crisis, especially in the developing countries and the countries in transition, it was suggested that the following objectives be considered: greater efficiency, quality, and equity in higher education. Recognizing a diverse nature of educational, political and economic conditions and therefore the difficulty to find a universal solution that could satisfy every individual country, the World Bank still believed that there should be a group of general policies that could be useful basic guidelines for all countries.

Drawing on its extensive experience and involvement with higher education, the World Bank came up with four key elements that should be addressed by the participating countries to address the sectoral crisis. In this study, the authors clearly expressed the four main directions for the higher education reform that they felt would make countries' systems more efficient. First, they argued for the greater differentiation of higher educational institutions, including the development of private institutions. Unlike public institutions, private institutions were viewed as more efficient and responsive to changing demand. Private higher education could be used as a means of managing the costs of expanding higher education enrollments, increasing the diversity of training programs, and broadening social participation in higher education. The Bank pointed out that successful examples of this policy included the countries in which governments encouraged a sound private sector through an appropriate policy and regulatory framework which avoided disincentives such as tuition price controls, and included mechanisms for accreditation, oversight, and evaluation.

The second area that needed to be addressed was diversification of funding, including cost-sharing with students, and linking government funding closely to performance. Funding diversification could be achieved by (a) the mobilization of greater private financing of higher education, (b) the support of qualified students from low-income families, and (c) efficient allocation and use of public resources among and within institutions. In order to mobilize greater private financing, the Bank suggested involving students in cost-sharing, which could be pursued through tuition fees and elimination of subsidies for non-instructional costs. Governments could also permit public institutions to establish their own tuition and fees without interference. Funding from alumni and external aid and lending agencies could become another source of private resources, which is significant in some countries notably the United States and United Kingdom. Income-generating activities such as short-term courses, contract research for industry and consulting would be helpful in supplementing institutions' income.

Recognizing that cost-sharing with students could not be implemented equitably without adequate financial support from the government, the Bank recommended that effective financial assistance programs be established. These may include scholarships, students loan programs, income-contingent loan schemes, grants and others. In Bank's view, these measures would enhance equity and allow poor students to access higher education. Additionally, governments should use market forces (competition and demand) to stimulate increases in the quality and efficiency of higher education. The Bank's lending policies would increasingly support countries that are implementing cost sharing and other measures emphasized by the organization.

The third important aspect of successful HE reform was the need to redefine the role of the state in higher education, with the greater emphasis on institutional autonomy and accountability. Government role in higher education. Government's role should be redefined, as in many countries, especially developing, its involvement in higher education had far exceeded what was economically efficient. Thus, the government should establish well-defined legal framework and consistent policies for both public and private sector and allow for greater management autonomy for public institutions. Reliance on incentives and market-oriented instruments would help to implement new policies and provide an enabling policy environments for both public and private institutions. Although there existed clear economic justification for the state support of higher education, the crisis of higher education demanded that governments reconsider their roles and involvement in the sector.

The forth area essential to reforms in higher education specifically should address issues of quality, responsiveness and equity in the sector. High quality training and research required well-prepared students whose preparation would depend on the quality of academic secondary education and also selection process for higher education. At the same time, universities would need high quality teaching staff and access to up-to-date pedagogical information. Effective evaluation mechanisms that combine self-evaluation of institutions and external agency assessment should be introduced to ensure quality. Responsiveness to changing economic demands could be achieved through the participation of private sector representatives on the governing boards of public and private higher education institutions. This would strengthen the communication and linkage between higher education and various sectors of economy and would also address changing training requirements. In the Bank's view achieving greater equity of higher education participation was important for economic efficiency, and social justice and stability. This could be accomplished through various measures including preferential admission policies for certain groups of students as well as through access to quality secondary education.

Although the report focused primarily on the developing countries, it discussed the situation in higher education in the countries undergoing a rapid economic transition, including the former socialist republics in Eastern Europe and Central Asia. Among the suggestions to overcome the crisis in higher education, the World Bank pointed to the experience of a number of the OECD countries that had responded to the funding crisis by introducing innovative policies aimed at increasing the efficiency of higher education and stimulating greater private funding. Similar responses could help meet the growing social demand for higher education and make higher education more responsive to changing labor market needs.

Having analyzed its involvement in higher education during the past two decades, the World Bank came to the conclusion that it had been most successful in shaping coherent sub-sectoral development programs and supporting the implementation of policy reforms and investments through series of lending operations. Giving highest priority to primary and secondary education, the Bank's policy statement confined higher education lending to addressing issues of efficiency and equity. Therefore, the Bank's lending policies would support countries that adopt a higher education policy framework that would stress differentiated institutional structures and diversified resources base with greater emphasis on private providers and private funding.

Throughout its 1994 report, the World Bank used examples to illustrate both what it believed to be difficulties and successes of some countries. Many difficulties, especially those experienced in Russia, have occurred due to the present economic crisis, which led to reduced funding for universities and research institutes. The authors mentioned that the higher education sector in the region was deliberately fragmented under the socialist regime for reasons of political control that contributed to its inefficiency.

A large portion of federal spending on higher education was devoted to non-educational expenditure, including student support programs. The low student-staff ratio in institutions also drained public resources. Another problem pointed out in the book was that the enrollments in applied scientific fields were far higher that in other programs because of the priority given to building scientific expertise. Moreover, government policies dictating the student intake in specific fields of study did not reflect actual market demands. The Bank stated that governments should not interfere with market mechanisms or with institutional priorities unless the need for state intervention was compelling and economically justifiable. Rather, governments should help higher education strengthen the quality of education by (a) assisting institutions in selection process by improving admission examinations and (b) ensuring standards and quality of secondary education (World Bank, 1994, p. 61).

In the Bank's opinion, communist governments deliberately separated scientific research from advanced scientific training, which proved to be detrimental to their national economies. Russia's economic crisis had seriously compromised government's ability to adequately support its R&D and public education. The Bank stated that the communist state-planned economy was the source of many problems that plagued Russian higher education. Institutional fragmentation, as well as a large number of small and narrowly specialized institutions supervised by different government ministries presented an example of poor planning and lack of coordination which caused serious problems within the sector. The Bank commented that technical ministries and departments reluctant to relinquish their control over institutions that they had formerly controlled resisted educational reforms (1994, p. 58). Having no tradition of cost recovery in public higher education, Russia should consider cost sharing if it wanted to strengthen the financial base of its public higher education. Being a strong advocate for cost sharing in higher education, the Bank made it an increasing high priority area to assist countries to set up student loan and financial assistance programs. In the recent years, the organization supported student loan projects in several countries (e.g., Mexico, China, Venezuela, and Columbia).

Designing strategies for higher education reform, the Bank reiterated the bleak economic outlook for a significant increase in public financing for higher education in the following decade. The fact that many governments for social and political reasons committed themselves to expansionary policies aimed at accommodating the growing demand for higher education, without reference to available resources, quality standards, labor market demands and at little or no cost to students would make this very problematic. It was the Bank's belief that if these tendencies were not reversed, many countries would be destined to enter the twenty-first century insufficiently prepared to compete in the global economy, where growth would be based more heavily on technical and scientific knowledge.

In proposing reform strategies, the World Bank cited the experience of some OECD countries which have responded to the funding crisis by introducing innovative policies. These policies include increasing higher education efficiency by means of funding formulas, greater private funding, and lower per student public spending. The World Bank (1994) explicitly stated that it would support higher education sector in the countries that adopt a combination of measures to: (a) control access to public higher education on the basis of efficient and equitable selection criteria; (b) encourage the development of institutions with different programs and different missions; (c) establish a positive environment for private institutions; (d) introduce or increase cost sharing and other financial diversification measures; (e) provide loans, grant, and work-study schemes to ensure that all qualified students have the opportunity to receive higher education; (f) allocate public resources to higher education institutions in ways that are transparent and that strengthen quality and increase efficiency; and (g) provide autonomy in how public institutions raise and use resources and determine student intake (World Bank, 1994, p. 13).

Education Sector Strategy (1999)

At the new millennium approached, the World Bank published its *Education Sector Strategy* (1999) report. In the opening paragraphs, the Bank announced that education would determine which country would have "the keys to the treasures the world can furnish" (p. 1). With the stakes so high, the choices that countries would make about education could lead to sharply divergent outcomes in the decades ahead. Those who would respond astutely should experience extraordinary progress, with major economic benefits; those who would fail to respond appropriately would risk stagnation and even slipping backwards, "widening social and economic gaps and sowing the seeds of unrest." (p. 1).

Among the major drivers of change, the World Bank cited several key trends, including rapidly spreading democratization, prevalence of market economies, globalization of markets, technological innovation and changing public and private roles and stereotypes.

The Bank provided the following countries' classification by type: (a) mature systems (the OECD nations and some Middle Easter and East Asian countries); (b) reform systems (including Russia and much of Eastern Europe); (c) emerging systems (especially in Latin America, North Africa, and Asia); and (d) least developed systems (especially in sub-Saharan Africa and parts of South Asia). While governments in most countries played a major role in providing for education, they would no longer be able to do everything, considering competing claims on the public purse. The involvement of the private sector, which pre-dated government provisions of education, would continue to be more substantial. In the former Soviet Union, for example, the transition to the market economy diminished the importance of traditional public provisions for vocational and technical training.

Referring to Russian education as a reform system, the Bank stated that although its education system appeared to be of "reasonable quality," in the past years, due to the economic problems and underfunding, the maintenance of the system was under strong threat and, in some contexts, subject to "future collapse" (World Bank, 1999, p. 15).

Hidden Challenges to Education Systems in Transition Economies (2000)

The study *Hidden Challenges to Education Systems in Transition Economies* (2000) was undertaken by the World Bank in order to increase the value of its contribution to the European and Central Asian (ECA) counterparts. Before the beginning of transition from planned economies and authoritarian political systems, the region had generally universal adult literacy and the completion rates for children and youth of both genders were high at all levels of education. In fact, the education system was a good fit with the previous economic and political systems. However, international evidence showed that they were not creating the best product for a market economy. Because market economies and open societies require abilities to apply knowledge flexibly, to cope with cognitive requirements of unfamiliar tasks, to recognize and solve problems, and to self-manage new learning, the content and structures of curricula should provide learner with such skills. The ECA textbooks and prevailing teaching practices did not seem to support the acquisition of these skills (World Bank, 200, p. V.). The Bank announced that the rule of the game had changed and the ECA countries should realign their education systems with market economies and open societies. This would require governments to take strategic paths to (a) realign the content of instruction with new objectives; (b) change pedagogy; (c) ensure that students acquire foundation and higher order cognitive thinking skills; (d) ensure that adults modify their human capital; and (e) alter incentives for the players to achieve new objectives. To achieve this the governments should build political support from various stakeholders including politicians, teachers, education bureaucrats and parents.

One of the pressing issues in the region still remained serious fiscal constrains due to the macroeconomic decline, which could seriously undermine educational outcomes and fairness. User charges were cited as one of the main factors for improving the situation in the education sector. "The case for user changes is the strongest for universities, where individual students realize the greatest share of the benefits of education" (World Bank, 2000, p. 45). Therefore, governments should progressively reduce its provision and financing role for higher and vocational education in favor of the private sector. The Bank's lending in this sector would support governments' and the private sector efforts to create frameworks for private sector or mixed public-privet sector provision and financing.

Joining other countries, the Russian government already introduced tuition and fees to shift a share of costs from taxpayers to students and their families. An important implication was that Russia (like many other Socialist bloc countries) had constitutional provisions of free education at all levels, or had what some called "the constitution that it could not afford." The Bank stressed that a student loan scheme and means-tested scholarships, which would require overcoming several formidable obstacles, should complement user changes. For example, consumer credit was underdeveloped and there was little tradition of voluntarily payments of credits and little onus attached to default. Additionally, the history of highly subsidized higher education in the region would undermine the borrower's sense of obligation to repay the lender.

As in its pervious publications, the World Bank team reiterated its concern with inefficiency permeating all levels of education. The sector did not adjust to new economic realities by reducing inefficiencies, which could ultimately damage educational quality and fairness. Therefore, it would the government's responsibility to develop the strategy to overcome this problem. Specifically, it should focus on the relationship between resources consumed and the outcomes secured.

> Restructuring the sector's governance, management and accountability has to be the highest priority for governments. Goals set for the sector should be limited in number, measurable, and accepted by stakeholders.... Governments can strengthen the sector's accountability through better checks and balances among rules and standard setting, competition (stakeholder' "choice"), and participation (stakeholders' "voice"). (World Bank, 2000, p. 73)

Summing up the review, the World Bank (2000) stated that its business strategy in education would be about changing concepts and "rules of the game," providing incentives, and improving capacities. Being a "development" institution, the Bank would like to ensure that policymakers bring more realistic premises and information to the decisions that they make about their education systems. Policymakers should change their pre-transition values and standards and adopt concepts of efficiency, Western-type fairness, human capital, and market economy. The part of the Bank's strategy would consist in creating opportunities for involved ministries (education, finance, labor, public administration, etc.) to see what "good" looks like. Meanwhile, the Bank would continue to base its lending-for-education decisions on defined priorities, including the realignment of education systems with market economies and open societies.

2002 Report – Knowledge Societies: New Challenges for Tertiary Education

The 2002 World Bank report *Knowledge Societies: New Challenges for Tertiary Education* built upon previous policy research and analysis summarized in its earlier publications, *Higher Education: Lessons of Experience* (1994) and *Education Sector Strategy* (1999). This study expanded on many themes addressed in the previous policy documents. The main focus of this report, however, was the growing importance of advancement and application of knowledge. The report discussed the contribution of tertiary education to building up country's capacity for participation in increasingly knowledge-based world economy and investigated policy options that could enhance economic growth and reduce poverty. The Bank argued that social and economic progress could be achieved through advancement and application of knowledge. Therefore, the role assigned to tertiary education is to effectively create, disseminate, and apply knowledge in order to build technical and professional capacity. Furthermore, developing and transitional countries would continue to be at a risk of being further marginalized in a highly competitive world economy because their tertiary education systems were not adequately prepared "to capitalize on the creation and use of knowledge" (World Bank, 2002b, p. Xix). To combat these negative tendencies, the state should put in place an enabling framework that would encourage educational institutions "to be more innovative and more responsive to the needs of a globally competitive knowledge economy and to the changing labor market requirements for advanced human capital" (p. Xix). The Bank was willing to assist its client countries in drawing on international experience and in mobilizing necessary resources to improve effectiveness and responsiveness of the higher education sector.

The changing global environment brought with it both opportunities and threats. For example, the growing role of knowledge created opportunities for economic growth, resolution of social problems (food supply, health care, water supply, energy, etc.), but also threatened to increase knowledge gap among nations. Similarly, the information and communication technology (ICT) revolution providing easier access to knowledge and information could result in the growing digital divide among and within nations. Among the opportunities provided by the global labor market, the Bank listed an easier access to expertise, skills, and knowledge embedded in professionals. The threats brought by the global labor market included the growing brain drain and loss of advanced human capital. The last change factor that had a potential to provide opportunities and threaten countries was political and social change. It could create positive environment for reforms and also produce political instability, brain drain, and in some cases (e.g., HIV/AIDS) loss of human capital.

The 2002 report pointed out the continuing crisis of tertiary education affecting developing and transition countries. The Bank acknowledged that in the former Socialist countries, the achievements of tertiary education were particularly noteworthy in the fields of mathematics, natural sciences, and engineering. However, in the past years, the demand for engineers and technical professionals fell sharply. At the same time, an interest in the fields of study related to a market economy surged. Consequently, many higher educational institutions introduced new programs in economics, management, and marketing. The Bank argued that the fast pace of social and technological change had increased the rate at which skills became obsolete. The market economy demanded "broad skills such as critical analysis, problem solving, and teamwork" (World Bank, 2002, p. 112). Transition economies should consider the following options for improving tertiary education: (a) more flexible and less specialized curricula; (b) shorter programs and courses; (c) less rigid regulatory framework; and (d) establishing the system of public funding that would encourage institutions to respond to market demands. Additionally, the government should improve access to higher education through the provision of financial aid to students, which would require external participation in the institutional governance and professionalizing of university administration.

Equitable access to tertiary education opportunities would be important in easing inequalities and related social problems that plagued the former Soviet Union countries since the beginning of the transition to the market economy. Considering growing income inequality in the region, the government should take urgent measures to curb these negative trends. The policies should encourage production of the human capital necessary for advancing knowledge and economic growth.

> A new development framework that can support knowledge-driven growth requires expanded and inclusive education systems which reach larger segments of the population. These systems need to impart higher-level skills to arising proportion of the workforce; foster lifelong learning for citizens, with an emphasis on creativity and flexibility; to permit constant adaptation to the changing demands of a knowledge-base economy; and promote international recognition of the credentials granted by the country's educational institutions. (World Bank, 2002, p. 26)

To create the opportunities for the human capital formation, the new development framework should provide (a) more education for more people, as the knowledge-driven economies would demand higher-level skills in the workforce; (b) lifelong learning; and (c) international recognition of qualifications.

As the crisis of tertiary education continued in transition countries, the Bank predicted that mass tertiary education would continue to experience resource constraints. Drastic reductions in public funding jeopardized quality and sustainability of existing programs and the survival of entire institutions. In Russia, financial crisis, decaying equipment, unemployment and low wages drove large numbers of researchers away from science and technology. As a result, the tertiary sector experienced serious brain drain.

The factors contributing to the on-going problems in the sector included a high degree of inefficiency in resource utilization (underutilized facilities, duplicative program offering, low student-staff ratios, and allocation of a large share of the budget to non-educational expenditures), and a fragmented institutional structure, characterized by a large number of small, specialized institutions and a few big universities.

In the past years, however, Russian higher education experienced the shift in the balance between the state and the market. This resulted in the emergence of the private sector, representing one-quarter of all tertiary institutions and the introduction of tuition fees (albeit without accompanying student financial aid mechanisms). The lessons from some countries illustrated that it was difficult to promote all the changes simultaneously when introducing deep reforms.

In the new millennium, the World Bank renewed and deepened its commitment to "enhancing the contribution of tertiary education to economic and social development worldwide" (World Bank, 2002b, p. 100). The analysis of its involvement in tertiary education for the last decade provided valuable lessons that the World Bank could draw upon in its future activities or interventions. The Bank identified general themes that would enhance effectiveness of its interventions in the sector. The first theme was connected to the need for a systemwide and sustained approach; policy measures and investments that were integrated into a broad reform program based on global vision and strategy for change would most likely to be successful. The second area of importance would be political-economic aspect of the reform. In the past, the Bank had worked under the assumption that to introduce change successfully, it was sufficient to design a technically sound reform program and reach an agreement with top government officials. As the experience demonstrated, the effective use of social communication campaigns when launching and implementing tertiary education reforms and innovations would be helpful in building consensus among various constituents of the tertiary community. The third aspect dealt with the role of positive incentives in promoting change, including a well-designed competitive funding scheme that could stimulate performance of higher education institutions and could become a powerful vehicle for transformation and innovation (World Bank, 2002b).

APPENDIX C

THE INTERNATIONAL MONETARY FUND

The International Monetary Fund, also known as the "IMF" or the "Fund," was conceived at a United Nations conference in Bretton Woods, New Hampshire, U.S., in July 1944. The 45 governments represented at that conference sought to build a framework for economic cooperation that would avoid a repetition of the disastrous economic policies that had contributed to the Great Depression of the 1930s. The main goal of this international institution was to oversee the international monetary system and to promote the elimination of exchange restrictions relating to trade in goods and services, and the stability of exchange rates. The IMF came into existence in December 1945, when the first 29 countries signed its charter (or Articles of Agreement). In the following decades, the world economy and monetary system underwent other major changes which, according to the IMF (2006), have increased the importance and relevance of the purposes served by the institution, and have also required it to adapt and reform. Although, the statutory purposes of the Fund today are the same as when they were formulated in 1944, they have become even more important because of the expansion of the IMF membership. The number of member-countries has quadrupled, reflecting the attainment of political independence by many developing countries and, more recently, by the integration of the ex-Soviet bloc countries. The expansion of the IMF's membership, together with the changes in the world economy, has required the IMF to adapt in a variety of ways to continue serving its purposes effectively.

Rapid advances in technology and communications have contributed to the increasing international integration of markets and to closer linkages among national economies. According to the IMF (2006), as a result of this integration, financial crises, when they erupted, would tend to spread more rapidly among countries. In such an increasingly integrated and interdependent world, any country's prosperity would depend more than ever on the economic performance of other countries and on the existence of an open and stable global economic environment. Equally, economic and financial policies that individual countries followed would affect how well or how poorly the world trade and payments system would operate. Globalization, calling for greater international cooperation, would increase the responsibilities of international institutions that organize such cooperation – including the IMF and the World Bank.

At present, some of the most important activities of the Fund include global, regional, and country surveillance, lending, and technical assistance. As part of its surveillance activities, the IMF arranges official staff visits to its member and borrower countries, conducts consultations and monitors economic and financial development programs. It also provides policy advice aimed especially at crisis-prevention. The Fund lends to countries with balance of payments difficulties and low-income countries. Technical assistance and training in the areas of expertise are available through the IMF Institute, which is a leading department in the training area.

Surveillance

Global surveillance entails reviews by the IMF's Executive Board of global economic trends and developments. The main reviews of this kind are based on *World Economic Outlook* and *Global Financial Stability* reports prepared by IMF semiannually. The reports are published in full prior to the Executive Board meetings where discussions on world economic and market developments take place.

Under regional surveillance, the IMF examines policies pursued under regional arrangements. For example, the Fund's management and staff conduct discussions of developments in the European Union, the Euro area, the West African Economic and Monetary Union, the Central African Economic and Monetary Community, and the Eastern Caribbean Currency Union, as well as participate in surveillance discussions of such groups of countries as the G-7 (the Group of Seven major industrial countries) and APEC (the Asia-Pacific Economic Cooperation forum).

Country surveillance takes the form of regular (usually yearly) comprehensive consultations with individual member countries about their economic policies, with interim discussions as needed. These consultations are referred to as *"Article IV consultations"* as they are mandated by Article IV of the IMF's charter. At the first stage of consultations, an IMF team of economists visits the country to collect economic and financial data and discuss with government and central bank officials the country's economic policies in the context of recent developments. The IMF staff review the country's macroeconomic (fiscal, monetary, and exchange rate) policies, assess the soundness of the financial system, and examine industrial, social, labor, governance, environmental and other policy issues that may affect macroeconomic policies and performance. Then, the staff team submits a report on its findings, approved by management, to the Executive Board, which discusses the staff's analysis. And the Board's views, summarized by its Chairman, are transmitted to the country's government. In this way, the views of the global community and the lessons of international experience are brought to bear on the policies of the specific country (IMF, 2006). Reflecting the IMF's increased transparency, the summaries are published and can be found on the organization's website.

The IMF supplements its usually annual country consultations with additional staff visits to member countries when needed. The Executive Board also holds frequent, informal meetings to review economic and financial developments in selected member countries and regions.

Lending

The Fund lends foreign exchange to countries experiencing problems of balance payments. A provided loan eases the adjustment that a country has to make to bring its spending in line with its income in order to correct its balance of payments problem. But IMF lending is also intended to support policies, including structural reforms that will improve a country's balance of payments position and growth prospects in a lasting way.

Any member country can turn to the IMF for financing if it has a balance of payments need, and if it needs official borrowing to be able to make external payments and maintain an appropriate level of reserves without taking "measures destructive of national or international prosperity."

> When a country approaches the Fund for financing, it may be in a state of economic crisis or near-crisis, with its currency under attack in foreign exchange markets and its international reserves depleted, economic activity stagnant or falling, and bankruptcies increasing. To return the country's external payments position to health and to restore the conditions for sustainable economic growth, some combination of economic adjustment and official and/or private financing will be needed. (IMF, 2006, p. 4)

In such cases, the IMF provides the country's authorities with advice on the economic policies that may be expected to address the problems most effectively. The prerequisite of financing is the IMF's agreement with the authorities on a program of policies aimed at meeting specific, quantified goals regarding external viability, monetary and financial stability, and sustainable growth. A program of financial support is designed by the national authorities in close cooperation with IMF staff, and is tailored to the special needs and circumstances of the country. This is essential for the program's effectiveness and for the government to win national support for the program, which, in the IMF's opinion, is critical to its success. A certain degree of flexibility of the program allows for adjustments during its implementation.

At present, IMF borrowers are all either developing countries, countries in transition from central planning to market-based systems, or emerging market countries recovering from financial crises. Many of these countries have only limited access to international capital markets, partly because of their economic difficulties. The Fund provides loans under a variety of policies or "facilities" that have evolved over the years to meet the needs of the membership. The duration, repayment terms, and lending conditions attached to these facilities vary, reflecting the types of balance of payments problem and circumstances they address. From 1946 to 2000, the Russian Federation was on the third place (after Mexico and Korea) among top 12 IMF borrowers (IMF, 2006).

Since 1989, the IMF has helped countries in central and Eastern Europe, the Baltic, Russia, and other countries of the former Soviet Union transform their economies "from centrally planned to market-oriented systems." It has worked in partnership with these countries to help stabilize and restructure their economies - including, for example, helping them build the legal and institutional framework of a market system. To provide additional financing to support the early stages of transition, the IMF established a *Systemic Transformation Facility* in 1993, which lapsed in 1995.

The Fund's lending policies are based on specific principles. First, because the IMF is not an aid agency or a development bank, its lending is meant to address balance of payments problems and restore sustainable economic growth. Unlike the loans of development agencies, IMF funds are not provided to finance particular projects or activities. Second, the lending is conditional on policies: the borrowing country must adopt policies that promise to correct its balance of payments problem. The country and the IMF must agree on the economic policy actions that are needed. Also the IMF disburses funds in phases, linked to the borrowing country's meeting its scheduled policy commitments. In 2001, the IMF streamlined its conditionality to making it more sharply focused on macroeconomic and financial sector policies, less intrusive into countries' policy choices, more conducive to country ownership of policy programs, and thus more effective.

Third, the lending is temporary and dependent on the lending facility. The repayment periods also vary depending on the program and the status of the country (e.g., low-income countries have a longer grace period).

Forth, the IMF expects borrowers to give priority to repaying its loans on schedule, so that the funds are available for lending to other countries that need balance of payments financing. The Fund developed specific procedures to deter the build-up of any arrears, or overdue repayments and interest charges. "Most important, however, is the weight that the international community places on the IMF's status as a preferred creditor. This ensures that the IMF is among the first to be repaid even though it is often the last lender willing to provide a country with funds, after the country's ability to fulfill its obligation has clearly come into question" (IMF, 2006, p. 4).

Fifth, all regular borrower countries pay market-related interest rates and service charges, plus a refundable commitment fee. A surcharge can be levied above a certain threshold to discourage heavy use of IMF funds.

In additions to the outlined principles, the IMF also requires assessments of central banks' compliance with desirable practices for internal control procedures, financial reporting, and audit mechanisms. In most cases, the IMF, when it lends, provides only a small portion of a country's external financing requirements. But because the approval of IMF lending signals that a country's economic policies are on the right track, it reassures investors and the official community and helps generate additional financing from these sources. Thus, IMF financing can act as an important catalyst for attracting other funds, proving that it is not only the institution with financial capital, but also the one with symbolic capital. In its own words, the IMF's ability to perform this *catalytic role* is based on the "confidence that other lenders have in its operations and especially in the credibility of the policy conditionality attached to its lending" (IMF, 2006, p. 6).

Technical Assistance and Training

Technical assistance and training is another important area of the IMF mandate. During the last decade the IMF Institute, a leading provider of the training, has developed into a global network for training, reaching thousands of officials each year from around the world. The Institute conducts courses, seminars, and workshops in financial programming and policies, new financial instruments, monetary and financial law, and payments statistics. Each year the Institute trains more than 800 officials in Washington, D.C., and some 3.200 in its regional training centers including Australia, China, and Brazil (IMF Institute, 2006).

In the IMF Institute's training, the Fund seeks long-term gains from strengthening country capacity for macroeconomic and financial policymaking. Supporting those responsible for managing their economies contributes "importantly to preventing crisis and ensuring that the international policy dialogue is fully inclusive" (IMF institute, 2006, p. 2).

According to the IMF (2006) all of the three main activities of the Fund are supported by its work in economic research and statistics. Presentations, consultations, publications, and official websites are the venues though which the research and advice are disseminated.

APPENDIX D

Tertiary Education and Research in the Russian Federation (OECD, 1999)

The 1999 report, *Tertiary Education and Research in the Russian Federation,* was a result of the review of higher education that the OECD Education Committee undertook in 1996-97. The team presented a detailed analysis of the higher educational sector in Russia and offered recommendations focusing on policies and actions needed to address issues of concern. The purpose of the review was to assist the Russian authorities in developing a more comprehensive policy approach in higher education and research which, in time, should lead to this sector achieving its potential within a changing Russian economy.

The authors started their review with the recognition of a long and distinguished history in tertiary education and science in Russia expressing "a deep sense of respect for the heritage of this past" (OECD, 1999, p. 9). The review team acknowledged that Russia succeeded in raising the education attainment of its population, the extension of access to tertiary education throughout its vast territory, exceptional academic achievements of students and academicians, the development of wide range of distinguished universities, and would leadership and outstanding contributions in research and technology.

However, despite these achievements, the team pointed out some deficiencies of the system that stemmed from the country's previous political ideology. The policy of the communist era had favored a fragmentation of higher education structures, whereby many single purpose specialist institutions were established in contrast to educational traditions established in Western universities. Such an approach had produced a separation between the research role of the university and that of specialist research institutes and academies. Research institutes used to receive more state investments for research and development. The inherited structure of higher education was developed on an ideological and conceptual basis which does not reflect "needs and aspirations of contemporary Russian society in its transition to democracy and a market economy" (p. 10). Therefore, one of the greatest challenges for Russian higher education would be to re-structure the system in order to match the changed academic, economic, and cultural circumstances of the new era.

Although several important steps had been made to align higher education with new developments in the country, there was still a significant gap between the letter and promise of the law (*Law on Higher and Post-Graduate Professional Education*) and realities of its implementation. Deteriorating economic conditions exacerbated the difficulties facing Russian authorities and citizens. Thus, the team believed that the analysis and recommendations provided in the report would point "the true way forward to a better future, even if the time scale of reform may be longer than desired" (p. 12).

Issues of access and equity, quality and responsiveness of the sector to the new demands in the labor market, institutional efficiency, and misalignment of government policy were among major concerns expressed by the OECD team. Specifically, the team stated that severe economic conditions in the country "are moving Russia away from broader participation towards a more elite system" (p. 12). This tendency could undermine the future of Russia as a democratic society. The second problem of quality and responsiveness of the sector would also require immediate attention. Although the quality of education remained high due to the enduring values and commitment of the professors, rectors and staff, conditions under which the academic staff was working would be detrimental to the future of teaching and research. So would be the lack of responsiveness of institution to the demands of the new labor market. Efficiency was an area of concern as the system remained highly specialized and fragmented and public subsidies reinforced inefficiencies and inequities. Overall, the process of implementing actual change in the sector was painfully slow.

> The Russian Federation is in a dangerous hiatus between outdated policies that block change and unrealized policies that are needed to guide, stimulate, and facilitate change. In a time when rapid adjustment is critical to survival, the tertiary education system is drifting and, in many instances, unable to act (OECD, 1999, p. 14).

Taking into consideration the changes that were happening in tertiary education in the OECD countries and in Russia, the team argued that there had been a shift away from centralized state control and financing towards greater decentralization and reliance upon market influence in higher education policy (p. 15). This shift was contributing to fundamental rethinking of the role of public policy in most industrialized democracies that adopted a global trend toward decentralization and regionalization within national boundaries. In an increasingly decentralized, market-driven environment, a traditional relationship between the state and universities became obsolete. Nations were reforming their traditional policy tools of planning, budgeting, resource allocation, standards and assessment, and governance. Major policy trends included: (a) a shift from the state as the principal source of institutional funding to multi-channel funding from student tuition and fees, business and industry contacts; (b) a shift from state control and accountability based on input to accountability based performance and outcomes; (c) a shift from traditional planning models to strategic, market-driven planning; and (d) a shift from subsidizing institutions to targeted subsidizing of strategic investment in institutions to ensure that the market responds to public priorities (OECD, 1999, p. 17). Russian authorities should recognize the pressure to reform tertiary education, which would require immediate response to prevent disastrous long-term consequences for the sector and a nation as a whole. The review team suggested launching an urgent, thorough and sustained reform.

In its review, the OECD team provided detailed analysis of a wide variety of issues ranging from quality, standards, and research in higher education to financing and barriers at the secondary/tertiary interface. An extensive list of recommendations touching upon all of the analyzed issues was an important part of the study. Echoing the World Bank's rhetoric, the OECD team stated that the potentially positive reform would encompass the shift of financial responsibility from the federal government to the private sector, students and their families, through student vouchers, capitation grants and subsidies (p. 143). The Review addressed a number of policy issues and provided policy recommendations that should be necessary implemented by the Russian government. The major themes of the report and some of the offered solutions will be sketched in this section.

Educational Standards, Access and Equity

The first theme identified by the OECD team concerned educational standards, access and equity, which should become "less arbitrary and opaque and more fair, transparent and publicly accountable" (OECD, 1999, p. 36). The main goal for the government would be to establish a more equitable and efficient process for the transition from the secondary to tertiary education, which was regarded as wasteful, inefficient and rather subjective. To achieve this, the OECD proposed to establish a transparent examination system based on explicit national criteria. The Ministry of Education should continue to work towards a national infrastructure to deliver exams that would be compatible, valid, reliable, affordable and transparent. At the same time, HEIs should also be actively involved in the design and quality assurance of such a system, so that in the due course, sufficient confidence in its quality would be established. This would lead to abolition of the existing higher education entrance procedures, which, when changed, would contribute to equal chances for every student to enter higher educational institutions. This approach would reduce inappropriate barriers at the secondary and tertiary interface. The team suggested that the Ministry of Education design and implement a competitive entrance examination system that, while emphasizing high standards for entry, would be equitable, transparent and encourage greater equity in access to appropriate forms of higher education opportunities for all students regardless of their economic conditions and location.

Much criticism was directed against increasing emphasis on selection at universities, which, according to the team of experts, created elitism.

> Clearly, the system is not kind to those who fail to make the grade. Rather than a sign of high, uncompromising standards, the review team fears it is a sign that higher education in Russia has not yet accepted the serious need to widen participation, and the recognition that a nation's well-being is linked to the average learning of its entire population, not just a selected elite. (OECD, 1999, p. 35)

Considering this one of the major barriers to students' participation in higher education, the team came up with recommendations on how to make standards, access, and equity less arbitrary and opaque, and more fair, transparent, and publicly accountable.

Capitation funding and national testing

Recognizing financial difficulties facing Russian authorities, the team strongly recommended that the government develop financial policy strategies to ensure a viable and successful future of the higher education sector. Specifically, in the next two decades, the Russian Federation would have the opportunity to reshape its higher educational system to serve its entire people effectively. This could be achieved with the internal support and with the assistance of international and bilateral partners.

One of the ways to address the funding issue would be to gradually shift the funding for higher education to a capitation formula, based on explicit financing norms. In 1997, the Ministry of Education proposed a gradual transition to capitation funding for higher education institutions, partially based on the results of a proposed national admissions testing process. Institutions would receive funding under the "state order" only for those students who scored at or above a nationally defined threshold on the national admissions test. Students would be eligible for free tuition at one level of score and only loans for a slightly lower score. Institutions would be free to accept students who scored below the national threshold, but this would be on a commercial, fee-paying basis (as cited in OECD, 1999, p. 57). The expert team considered this proposal an interesting and promising concept and provided several suggestions on how to effectively apply the proposed scheme. The OECD recommended that the government provide a voucher for each student at the end of compulsory free schooling, which they viewed as one of the viable funding solutions. At the same time, the team proposed the introduction of formal tuition fees. The team also suggested that the government revise the current Constitution of the Russian Federation, which guaranteed tuition-free higher education for qualified students. While the issue of formal tuition remains politically sensitive, it should, nevertheless, be addressed. In the future, the government should develop a state-backed student loan-scheme to ensure access to higher education.

Promoting quality and standards

Although promotion of quality and standards in higher education had already been on the list of priority areas of the Ministry of Education, the issue of how quality and standards should be defined still remained unresolved. In order to adequately address these issues, the reviewers suggested that the Russian government sign and formally ratify the Lisbon Recognition Convention. The state standards should be revised by shifting from quantitative to a more qualitative view of higher education indicators.

Since investments in university research were inadequate, academic staff was not able to adjust its work to meet the needs of the new academic and research environment. At the federal level, special programs for the development of university research should be prepared and introduced. The team proposed to set the 15 to 16 % target of total federal expenditure on research and development for universities (p. 168). The federal program should also involve a comprehensive plan to promote the incorporation of information and communication technology (ICT) in the work of HEIs and the development of national academic network (p. 168).

Improving the Conditions of Students and Teachers

The team made several recommendations aimed at improving the life of key agents in the operation of the higher education system – students and teachers. A gradual introduction of tuition fees was again cited as one of the important conditions that would improve students' well being. The authors once again reiterated the need for changes in the examination procedures that lead to the university entry.

In regards to the plight of the academic staff, the OECD team noted that the improvement of salary scales would be necessary in order to protect the status and attractiveness of the academic profession. It would also be essential to reduce teaching loads to allow more time for research and independent thinking. Staffing and assessment procedures should be restructured to stimulate candidates from outside a particular institution, and should include peer assessment.

The major recommendations provided by the OECD team of experts who conducted their study were presented to the representatives of the Ministry of Education and the OECD Education Committee during a review session in 1998 in Paris. Russian authorities acknowledged that the directions outlined in the OECD study provided "a coherent, integrated and forward-looking map for the future, against which the policies can be devised, formulated and implemented over time" (OECD, 1999, p. I).

APPENDIX E

Law of the Russian Federation on Education (1992)

On July 10, 1992, president Yeltsin signed the *Law of the Russian Federation on Education* (1992). Principal features of educational policy of the Russian State were expressed in this document that established the framework for future education development in the country. The Law was a comprehensive document covering a wide variety of issues including the role of education in the modern Russian society, state policy in education, issues of funding, state educational standards, and economics of the education system. The document consisted of six chapters that covered areas of government policy in the sphere of education (including pre-school and higher and graduate education), description of the Russian education system, its administration and financing, social guarantees to receive all levels of education and international partnership in education. The Law was to reflect the needs of the Russian society entering the transition period.

Education was defined in the document as "a purposeful process of upbringing and training in the interests of an individual, society, and the state" (p. 1). The right to education was proclaimed a fundamental and indispensable constitutional right of the Russian citizens. Education was to be provided on the basis of the Russian legislation and international norms and rights and be considered a priority area for the Russian state policy. Article 2 (Chapter I) of the Law outlined the basic principles of the national education policy:

1. A humanistic approach to education, the priority of universal human values, human life and health, and free development of a personality. Children should be educated and raised in the spirit of citizenship, diligence, and respect to human rights, love of environment, motherland, and family.
2. The creation of unified federal, cultural and educational space. In a multicultural state, such as Russia, the education system should protect and help develop ethnic cultures, regional cultural traditions and identities.
3. Universal access to education; education and training adaptable to the specific needs and development level of students.
4. Secular education in state and municipal educational institutions.
5. Freedom and pluralism in education.
6. The democratic, state-public nature of education management. Autonomy of educational institutions. (Government of the Russian Federation, 1992, p. 2).

Similar statements of educational goals were made in various official documents and proposed legislative measures in the 1990s. For example, the 1992 national report of the Russian Federation on education development outlined the ideological basis for the sector reform. The two major principles acknowledged the central role assigned to education in reshaping the Russian society.

1. Establishing a new society necessarily entails changing educational ideology, content, and techniques.
2. Education is not only the leading factor for human development but is also the key determinant of social development and the driving force behind overall reform efforts in society. (p. 1)

In the legislative documents adopted during this time, much attention was given to the issue of "humanization" of curriculum and teaching methods. Teaching techniques were to be more directed towards a student's personality and individual capacities. Training should become differentiated and individualized so that the development of a child matched her interests and abilities. It was stated that students should be able to choose their own education and developmental path and pursue individual study programs. In other words, the new legislator proposed a more student-centered approach to education as opposed to the previously emphasized knowledge-centered one. For example, Article 14 the authors stated that the content of education should promote "the personal self-determination and the creation of conditions for self-realization" (Government of the Russian Federation, 1992, p. 8).

Being one of the main factors of economic and social progress of society, education should be oriented toward (a) self-determination of personality, and creating conditions for self-realization; and (b) development of society, strengthening and betterment of the civil society. The contents of education should provide students with education compatible with the international standards for general and professional training and help them to form modern knowledge and world outlook. Education would promote integration of citizens into national and world culture and encourage individuals to be eager participants in life of the society willing to better this society. Thus, education was viewed as an essential part of developing human potential of society. It should promote mutual understanding and cooperation between individuals and peoples regardless of their racial, national, ethnic, religious and social background as well as diversity and the rights of students to freedom of opinion. Professional education of any level should enable the trainees to receive professional training and qualification that would enable people to function and contribute to the society and economy.

Guaranteed Rights

The right of citizens to education was to be ensured by establishing the education system and provision of appropriate social and economic conditions for citizens to receive education. Specifically, Article 5 of *the Law on Education* guaranteed the right of all citizens to receive education regardless of gender, race, ethnicity, language, origin, place of residence, religious affiliation, creed, age, disability, socio-economic conditions, and criminal record (p. 2). General and specialized secondary education was to be free for all citizens, while higher and graduate education in state and municipal institutions was guaranteed free of charge but "on competitive basis," provided that the person was receiving such education for the first time.

Educational expenses of those studying in paid non-state educational institutions (accredited by the government) would be repaid in the amount corresponding to the educational provision in state and municipal educational institutions. Those who do not have adequate resources to receive education would be supported fully or partially by the state in accordance with the established welfare provisions. Students with disabilities would receive special education and training. Gifted students would also obtain necessary government support including state stipends and scholarships that would enable them to attend educational institutions abroad.

Education Financing

The economics of the education system was addressed in Article 4 that dealt with state and municipal financing of education. It was stated that the government guaranteed to annually allocate no less than 10 per cent of GNP and to protect specific federal, regional, and local budget items. The amount and norms of financing would be adjusted quarterly to reflect the rate of inflation. The share of higher education financing was to be no less than 3 per cent of the federal budget. Education of students attending state educational institutions (no less than 170 students per 10,000 of the population) was also to be covered from the federal budget (p. 34).

Educational institutions regardless of their organizational and legal status would be excluded from paying taxes, including the land tax. The state would also create conditions including special tax system to attract investments to education.

Educational institutions would be financed based on norms established by the federal law adopted together with the federal budget for the following year. Institutions could supplement this funding by attracting additional financial resources by providing paid educational and other services (allowed by the institutional charter), and also through contributions from physical and legal persons, including foreign physical and legal persons.

In addition to the established students quotas paid from the budget, state and municipal higher education institutions could admit fee paying students provided their number did not exceed 25 per cent of those admitted tuition free.

Social Guarantees for Students and Educators

Chapter V of the Law on Education included several articles (50-56) that addressed rights and social protection of students and educators, student healthcare, salaries of educators, and labor conditions and protections for educational workers. In other words, the government described the measure that it would take to ensure that every citizen of the Russian Federation could exercise the right to education. A significant portion of Chapter V was devoted to the social protections and rights of students to receive quality education.

In order to promote social support for students attending professional educational institutions and higher educational institutions, the government of the Russian Federation decided to establish a system of personal social educational credit.

Articles 54-56 of the Law were devoted to the issues of salaries of the education sector employees, labor relations and contacts. For example, the amount of the average salary of professorate and instructional staff of higher educational institutions was addressed in Paragraph 3 (Article 54) that specified that the average salary for these groups of employees should be twice the average amount paid to those employed in the industrial sector of the Russian Federation (p. 50).

The Federal Law on Higher and Postgraduate Professional Education (1996)

In August of 1996, the federal government adopted and president Yeltsin signed the Federal Law on Higher and Postgraduate Professional Education. The law was a result of several years of work and represented an outline of the further development of higher and postgraduate professional education in Russia. Specific provisions were made concerning structural reorganization of higher education in order to make it more flexible, diversified and decentralized. Some of the most significant developments stipulated in both documents were the establishment of non-state higher educational institutions (HEIs), introduction of a multi-level system of higher education (e.g., bachelor, diploma specialist, master), establishment of new academic programs, and changes in administration and management of higher educational institutions. The authorities proclaimed general and higher and postgraduate education an area of state priority. In the documents, the government stressed the importance of entering the world cultural and educational space and receiving the necessary legal basis for international recognition of Russian educational qualifications.

The document consisted of seven Chapters that included 34 Articles addressing issues of general provisions for higher education, students' rights, responsibilities of educational administration and management, and international activity of higher educational institutions (HEIs). The key provision of the Law dealt with the state policy and assurances regarding financing of higher education and research, its structure, types of HEIs and national educational standards, issues of institutional autonomy and educational degrees.

Principles of State Policy in Higher Education

Article 2 (Chapter I) outlined the principles of the state policy in the sphere of higher education. The state policy was based on the principles established by the 1992 Law on

Education and also additional five principles that pertained to higher and postgraduate professional education. These included:

1. Sovereignty of rights of the subjects of the Russian Federation in determining their specific ethnic and regional components within the overall policy framework for higher and postgraduate professional education ;
2. Continuity and succession of education process;
3. Integration of higher and postgraduate professional education system of the Russian Federation into the world higher education system while preserving and developing achievements and traditions of the Russian higher school;
4. Competitiveness and transparency in identifying priority areas in development of science and technology, as well as training of professionals, retraining and advanced training of workers;
5. State support for training of professionals, priority areas of fundamental and applied scientific research in the filed of higher and postgraduate professional education. (Government of the Russian Federation, 1996, p. 1)

The federal program of the development of higher and postgraduate professional education established the organizational basis of the current state policy in the sector. The priority of the development of the higher education sector would be accomplished by providing:

1. financing of state HEIs from the federal budget in the amount of no less than 3 per cent; including funding of 170 students per 10,000 of the population of the Russian Federation;
2. wider access for Russian citizens to higher education, without reducing the number of students funded from the federal budget;
3. tax breaks for higher educational institutions and organizations investing in the development of higher and postgraduate education;
4. state stipends for undergraduate and graduate students, and subsidies for accommodation, transport, and food;
5. conditions for equal access to higher and postgraduate professional education; and
6. conditions for emergence and operation of the non-state higher educational institutions. (p. 2)

Access to Higher Education

The government of the Russian Federation guaranteed: (1) the right of Russian citizens to receive higher and postgraduate education free of charge, on competitive basis, and (2) the freedom to choose educational institution, area of specialization and the form of delivery. Access to higher education was addressed in the Law of 1996 in similar terms as it was in the Law of 1992.

> Citizens of the Russian Federation are guaranteed to receive free higher and postgraduate education, on competitive basis, in state and municipal higher educational institutions according to the established state educational standards, if education of such level is received for the first time. (p. 2)

This statement was identical to the one found in the Law on Education of 1992. Another similar provision of free, but competitive higher education, was written in the Constitution of the Russian Federation that was adopted in 1993. Article 43 of the Constitution declared that "everyone shall have the right to receive, on competitive basis, free higher education in state and municipal educational institutions and enterprises" (*Konstitutsiya Rossiiskoi Federatsii*, 1993, p. 3). Thus, all three documents showed a very consistent approach to the issue of higher education provision.

Further, Article 11 of the 1996 Law elaborated the entrance procedures and specialist training programs at undergraduate and graduate levels. Student who completed general or specialized secondary education would be admitted to the institution based on the results of the competitive entrance examinations. Admission procedures were to be determined by the individual institution. The procedures should be designed in a way that would respect educational rights of citizens and would ensure that the most qualified and competent individuals be admitted into institutions.

The number of students financed from the federal budget would be determined annually by the federal (central) higher education authority. Special admission provisions were defined for those who completed secondary education with medals and distinctions. Prospective students who had lost both parents and those who had a disability (groups I-II) were also identified as special cases for admission.

Students' Rights

Students' rights and resources available to them were addressed in article 16 (Chapter III) of the Law. Besides the rights expressed in the Law on Education of 1992, students attending higher educational institutions had free access to institutional libraries and information catalogues, science conferences and symposia, and additional services provided by the institution (e.g. Health services), state and municipal libraries and museums. Students would be funded from the federal or municipal budget funds and stipends (twice the amount of the federally established minimum wages) would be paid to all eligible students. Students with disabilities, and those without parents were to receive additional compensations. Besides, once a year students could travel by train and those from the Northern, Siberian and Far East regions could travel by air to their home destination and back free of charge.

In addition to the extensive list of social provisions, the students also had the right to transfer to another institution (in accordance to the established procedures), participate in the scientific and research activities and be recognized for their achievements, and request labor market information from the institutional administration.

Part-time working students were given additional rights. For example, if they had to attend seminars and pass examinations, their employers were obliged to provide annual educational paid leaves (40 days and more).

Graduate students at the Candidate of Sciences and Doctor of Sciences levels were given additional guarantees (Article 19). These included tuition free use of laboratory equipment and resources, as well as participation in expeditions and field research, attendance of international conferences and research centers. Stipends and other specified expenses would be covered by the budget.

Financing of Higher Education

Chapter V of the Law "Economics of Higher and Postgraduate Professional Education" addressed the issues of property in higher education, its financing, commercial activity of HEIs, wages of professorate and staff, and financial accountability. State higher educational institutions were to be funded by the federal budget according to the federally mandated numbers of specialists (or "state order"). Their research activities were also paid for from the federal and other relevant funds. Institutions could admit a limited (licensed) number of fee-paying students in addition to those funded from the federal budget and engage in other commercial activities provided they would not interfere with their assigned duties and at their expense.

Salary funds for the professorate and staff should be formed by the institution from the available funds provided by the federal budget and other legally recognized sources. The average amount of pay would be established by the federal government quarterly based on the average amounts paid in the industrial sector. The average professorate salary should be twice the average amount of that paid in the industry. Based on the established principle, the government of the Russian Federation was to design a new payroll scheme within the two months after the approval of the present Law (Article 30, paragraph 8). The amounts discussed in this section were considered required minimum wages on the territory of the Russian Federation.

Final two chapters of the document dealt with the international partnership and economic activities that institutions could participate in (Chapter VI) and the alignment of the existing legislation with the current Law on Higher and Postgraduate Education (Chapter VII).

National Doctrine on Education

State Obligations in the Field of Education

The Doctrine listed a list of state obligations in the field of education. This section is the most extensive one in the whole documents. Among the first items that appeared on the list were:

1. To protect constitutional rights to receive free high quality education;
2. To preserve and develop the unity of the Russian education system;
3. To form social and economic conditions for the development of the system of education, and qualitative change of its funding;
4. To provide normative financing of educational institutions, its material and technical resources;
5. To raise the social status of trainees and employees;

6. To stimulate non-government investment in education by granting tax relief and other privileges to those willing to invest in education;
7. To ensure a more effective budget expenditure on education;
8. To develop higher educational institutions as centers of education, culture, science and new technologies;
9. To integrate education, science, research and industry;
10. To involve mass media in propaganda [dissemination] and implementation of the goals defined by the Doctrine;
11. To integrate Russian system of education into the world education system considering its national traditions and experience. (Government of the Russian Federation, 2000, p. 4).

Citizens have access to free pre-school (kindergarten), free public secondary and vocational education. Higher professional education is guaranteed to every second graduate with complete secondary education (including the graduates of vocational institutions) on competitive basis. Post-graduate education is free for those who entered programs though competition. In addition, the government planned to implement the system of *Gosudarstvennoye Imennoye Finansovoye Obyazatelstvo* (GIFO) (voucher) that will ensure access to education for orphaned children, children with disabilities and those from low income families. The system of social credits for students will also to be implemented.

Pedagogical Personnel

Pedagogy was assigned a leading role in reaching educational goals defined by the Doctrine. Training and further professional development of pedagogical personnel for educational institutions of all levels was also stated as another area that the state should be involved in. Specifically, the state should continue to support teacher education for pre-school and secondary institutions and training of specialist and researcher for universities. In higher education, it was important: (1) to create conditions for the training of specialist with advanced academic degrees who would engage in fundamental and applied research; (2) insure high quality of teaching and research on undergraduate and graduate levels; (3) raise the prestige and social status of teachers and educational personnel.

The issue of salaries and retirement pensions paid to pedagogical personnel was addressed in a separate section of the document. The government promised to raise the average salary of university professors to the amount of three average salaries established in the Russian Federation. This should provide adequate standard of living and foster creative activities of pedagogical personnel. The mount of retirement pension should be no less that 80 per cent of the amount paid during the university employment.

Financing of the Education System

In the concluding part of the Doctrine, the government addressed an important issue of financing of the education sector. It proposed gradual increase of the federal budget allocation for education in Russia that would be accomplished in three stages. At the first, anti-crisis stage (2000-2003) the amount of financing would be no less that 7 % of the Gross Domestic Product (GDP) and no less than 6 % of the expenditure part of the federal budget. At the second stage (2004-2010), this would amount to 8 % of GDP, and no less than 7 % of the expenditure part of the federal budget. At the third stage (2011-2025), the amount of financing was expected to increase to up to 10 % of GDP, and no less that 9 % of the expenditure part of the federal budget. The plan clearly stated that beginning with 2000, the government would increase its spending for the education sector, which would affect students of all levels, teachers, professors, and educational institutions.

The Concept of Modernization of Russian Education for the Period up to 2010

The text of the *Concept of Modernization of Russian Federation for the Period up to 2010* was approved by the Russian Government and Ministry of Education in December 2001. Soon after, the editors of Russian pedagogical journals received the final document for publication and dissemination among educators and the public.

The authors of the Concept defined priorities and strategies for education and the society for the current decade. The document consists of three major sections: (1) The Role of Education in the Development of the Russian Society, (2) Priorities of the Education Policy, and (3) Directions, Measures and Timeline of the Implementation of the Education Policy. Each section contains a number of subsections that address issues related to the state of Russian education, modern social requirements for education, goals and objectives for modernization of education, state guarantees, financing of the sector, and measures and stages of policy implementation.

The Concept opened with the statements about the role that education plays at the modern stage of Russia's development. Specifically, the role assigned to education at the contemporary stage was connected with the transition to a "democratic society, law-based state, market economy." Education is instrumental in ensuring that Russia does not lag behind the "global trends in economic and social development" (Government of the Russian Federation, 2001, p. 2).

> In the contemporary world the significance of education as a major factor forming a new quality [of] both of the economy and the society as a whole is growing. Its role is constantly growing together with the growth and impact of human capital. The Russian education system is capable of competing with the systems of education of advanced countries. However its advantages can quickly be lost if a nation-wide education policy supported by the wide public fails to be formulated and if the state fails to restore its responsibility and active role in this sphere and carry out a profound and comprehensive

> modernization allocating to this end resources and creating mechanisms for their effective use. (State Council, 2002, p. 2)

The excerpt suggests that the government acknowledged the importance of formulating education policy that would reflect the aspiration of society and goals of the overall progress of the country. Education policy should provide the assurance of fundamental rights and freedoms of Russian citizens, accelerate social, economic, scientific and technological development, and to "enhance humanization of society and cultural growth" (p. 2)

The authors of the Concept declared that Russia's education should develop according to the national interests as well as global education trends. In subsection 1.1 "Russian Education and Tendencies of World Development," the authors reiterated the importance of the education system in ensuring Russia's position among the world leading nations and its prestige as a country with advanced cultural, scientific, and educational traditions. Accordingly, the educational policy should take into consideration the following common tendencies of the global development:

> 1. Transition to post-industrial, information-based society; increased cross-cultural interaction;
> 2. Emerging and growing global problems, which can be resolved through international collaboration and which require modern understanding (thinking) from young generation;
> 3. Dynamic economic growth, increasing competition, … demand for highly trained workforce and its mobility;
> 4. Growing role of human capital that accounts for 70-80 per cent of national wealth in the developed countries, requiring accelerated and anticipatory development of education for both young people and adults. (State Council, 2002, p. 4)

Moreover, education had the potential to strengthen international prestige of the country. The sought after prestige should be acknowledged not only in terms of public recognition, but also through export of educational services. Particularly important is Russia's cooperation with the Commonwealth of Independent States (CIS, former countries of the Soviet Union) countries and educational support to the Russians residing abroad.

The adoption of the course on the modernization of education in Russia was determined by several factors. The first reason for current modernization stemmed from the new social requirements to education and its importance to national security and wellbeing of the society and every individual. More than ever education was considered a powerful force of economic growth, effectiveness, and competitiveness of the national economy. Education would also help to consolidate the society, to maintain its social and cultural integrity, and to overcome ethnic tension and social inequalities. The modernized education system should ensure equal access to quality education for all young people regardless of their family income, place of residence, ethnic background and disability.

Other areas in which education would play an essential part were: (a) the formation of professional elite, and (b) the discovery of gifted and talented young people. With the strong support of the government, the education system should effectively utilize its human, information, material, and financial resources.

The second factor that made modernization so urgent, according to its authors, was the complicated situation in the sector of education that had been experiencing difficulties during the period of transition. Positive changes were seriously impeded by the system-wide socio-economic crisis of the 1990s. The state practically withdrew from education leaving it to cope with problems on its own.

Specifically, the policy makers noted that outdated content of educational programs and student overload did not provide students with essential fundamental knowledge and education quality to properly function in the new millennium. Professional education was not able to train enough high quality specialists needed for the new economy. Under conditions of further economic stratification of society, existing problems in the system of education seriously impeded access to quality education. These negative tendencies should be addressed and corrected.

Goals and Objectives of Education Modernization

The main purpose of the modernization of education expressed in the Concept was to create a mechanism for sustainable development of the education system. In order to reach the goals of modernization it was necessary to address a number of priority objectives. These objectives included:

a) To ensure guaranteed equal access to quality education,
b) To raise the quality of pre-school, general and professional education;
c) To form effective legislative, economic, and organizational mechanisms to attract and utilize external (non-budget) resources,
d) To raise social status and professionalism of educators through better state and public support,
e) To ensure that education develops as a transparent state-public system with clearly defined responsibilities between the subjects of the education policy. To raise the role of those involved in the education process – students, pedagogical personnel, parents, and educational institutions. (Government of the Russian Federation, 2001, p. 5)

Once again, the state pledged to provide access to quality education to its citizens. Recognizing the fact that during socio-economic crisis state guarantees expressed in the Russian Constitution had not been always fulfilled, the government promised to take measures to change the situation by creating necessary legal and economic conditions. The government was returning to professional higher education as a guarantor of quality programs and services. Current modernization of professional education had to be closely connected to economic, social and cultural changes in Russia. It should also reflect federal and local market requirements for higher professional education. In addition, national and international tendencies of the labor market should be used in defining and planning current and future needs of the Russian economy.

Priorities of the State Education Policy

In Chapter 2, the authors elaborated the areas considered state priorities in the field of education. The first part of Chapter 2 was devoted to the state guarantees in education. In the opening paragraph, the authors made a reference to the Constitution of the Russian Federation that guarantees the right of all citizens to education. Considering past violations of this right presumably caused by the complicated socio-economic situation, the state was determined to reinforce the right to education by creating necessary legal and economic conditions. These conditions would allow the state to achieve the following objectives: (a) free complete secondary education and free education of other levels as defined by the existing Russian legislation; (b) equal access to quality education of various levels, regardless of family income and place of residence.

An extended list of complex socio-economic measures to ensure an access to quality education was proposed in the document. These measures ranged from the introduction of the educational credit system to providing better support to the rural schools. The government also promised (a) to supply educational institutions with up-to-date instructional resources; (b) to ensure that education process is based on respect for human rights, as well as psychological and physical needs of students; (c) to assist in early diagnostics of educational needs (including pedagogical, physical, and psychological) of children; and (d) to provide free access to state, municipal and school libraries. In addition, students should receive information about labor market demands, government and public costs of their education, and the quality of received education and its compatibility with the state established standards.

The third part of Chapter 2 was specifically devoted to professional education and the issue of its quality. The state was returning to education as a guarantor of quality programs and services of general and professional educational institutions. Modernization of the professional education sector should take into account economic, social, and technological needs as well as demand of federal and regional markets. Through the mass media, population should receive information on the state of labor market and ratings of educational institutions.

The government stated that its strategy in the professional education included modernization of material and technical base and infrastructure. All higher educational institutions should be equipped with state-of-the art equipment, research facilities, Inter- and Intra- nets, and library resources. Special attention should be given to university research and innovations. These areas were considered particularly important for strengthening of human potential and the national economy.

The Issue of Quality

In regards to the quality of higher education, the government proposed the list of measures. First, all the educational programs in economics, law and management should be revamped. Second, university affiliates and non-state higher educational institutions that offer standard graduate diplomas should undergo evaluation and, if necessary, re-licensing to ensure that their programs were compatible with the established state standards. Leading higher educational institutions and scientists as well as state administrative institutions should be involved in this process.

The contents and quality standards of professional education should be revised and improved to meet international higher education standards. To achieve these, the government proposed the following measures: (a) to provide up-to-date labor market information; (b) to eliminate fragmentation in higher education and unjustified monopoly on specialist training; (c) to introduce a real multi-level education cycle (Bachelor-Master) in HEIs; (d) to create university complexes; (e) to upgrade university infrastructure; and (f) to develop more interdisciplinary programs and integrate computer technology in teaching and research.

The status of university research should be raised by means of integration of academic and commercial research. The suggested scheme for improving research involved an introduction of federal program “Russia’s Universities” as well as increase of state financial support and grants for university research. The government considered an increase of state support, including competitive grants as an incentive for professorate to conduct scientific research.

The main goal of professional higher education was articulated as the training of highly qualified specialists, who would be able to compete on the labor market, be competent and responsible, possess broad knowledge and expertise that are internationally recognized. Such level of training would ensure continuous professional growth, social and professional mobility of individuals, and would satisfy their personal aspirations.

Financing of Education

During the process of modernization, the government considered education a major part of national economy and promised to continually increase its financial support to meet the needs of the sector. To ensure that the system operated efficiently, the government proposed to introduce innovative principles of the education financing. These principles would be based on the development of new norms of budget financing of higher education that would reflect sector's contribution to educational programs.

In regards to higher education finding, the government suggested to develop and implement differentiated normative budget financing of institutions, which would depend on their contributions to educational programs. Within this framework, the state credits system for students would be created. Additionally, students from low-income families and from remote regions would receive state subsidies.

Financial autonomy of educational institutions should be fully established taking into consideration the issues of transparency of institutional financial activities and fiscal responsibility of institutions. It was believed that the sector should be responsive not only to the needs of government but also the public and industry. The government stated that if the system became demand-oriented it would become easier to attract additional financial and material resources. For example, the institutions could expand their additional educational programs to attract money from the public, which would increase institutional resources. "It is the orientation towards real demands of concrete consumers of educational services that will become the basis of attracting additional financial, material, and technical resources" (Government of the Russian Federation, 2001, p. 14).

Education Personnel

The subsection devoted to educators opened with the statement that the state regarded well-being and social status of educators as one of priority objectives of the education policy (State Council, 2002, p. 15). To improve the status and working conditions for educators, the government should raise social status of teachers. All teachers should be entitled to: (a) free access to professional information related to education and subsidies for the purchase of a PC and the Internet access; (b) establish professional associations and be involved in educational governance, development of principles of the educational policy; (c) free access to public libraries, reduced admission rates to state-run and municipal museums and other similar institutions; (d) improve their living conditions (within the limits established by current legislation; and (e) reduced rate at health and recreation resorts, or receive partial compensations for travel costs.

In regards to state support for educators and administrators, the government proposed the following measures: a1) raise the minimum amount of salaries paid to teachers; (b) introduce a new payroll scheme; (c) introduce benefits for young specialists; and other benefits for years of service and performance; (d) establish sector-specific retirement scheme and medical insurance; (e) introduce the system of mortgage credits for educators to improve their living conditions; and (f) introduce legal provisions for reduced housing and utility rates for educators.

At the same time, the government should provide the opportunities for professional development of educators. This could be done through comprehensive reform of the teacher-training programs, which should reflect the requirements of the new millennium. Teachers should be entitled to take free upgrading courses at teacher-training institutions. IT training should be available for all administrators and educators as well as an effective system of in-service and pre-service training for educational administrators. The government also suggested expanding the system of presidential grants to support young talented individuals in education.

Improved pedagogic research should bridge the gap between theory and practice and eliminate overlaps between research activities of research institutions. New practically oriented research projects and the funding system of such research needed to be developed and implemented in the near future.

Shared Governance in Education

Another component of modernization strategy involved implementation of a new governance model where the previous paternalistic model should be replaced by the one of shared responsibility of all stakeholders. "Education must develop on the basis of a fruitful dialogue among all key stakeholders of the education policy, with a clear delineation of authority and responsibilities" (State Council, 2002, p. 16). An appropriate legal framework for public participation should be developed and implemented so that the society could participate in political, legal and administrative decisions in the field of education. The government further stated that the new state-and-public model of governance could use the experience of pre-Revolutionary Russia with its education areas integrating regional education potential of different territories. "Regional and local experience and expertise may fruitfully enrich each other [regions], also the regions have a lot to share and can integrate their economic, material, human, intellectual and other resources to their mutual advantage" (p. 17). The authors further presented a list of measure that would foster the development of the state-and-public model of governance.

Stages of the Policy Implementation

Stages and measure of implementation of the modernization policy were defined in Chapter 3 of the document. During the first stage (2001-2003) of the implementation, it would be necessary to achieve sector stabilization and provide required budget funds.

> An annual increase of spending on education in the amount not lower that 25 % from the Federal Budget, and 10 % from the regional budgets;
> Allocation and consistent increase of the share of budget allocations for the development of education (purchase of equipment and information resources, in-service teacher training, financing research and innovative pilot sites). The funds will make up no less that 15 % of the amount of the respective budget at the level of VET [vocational education training] and professional education, and 7,5 % - at the level of general education;
> Stage-by-stage transition to norm-based financing and other organizational and economic mechanisms ensuring access to education and quality of the latter, and an effective use of allocated funds;
> Elimination of arrears to state and municipal educational institutions resulting from non-execution [lack] of budgetary financing and utilities underpayment [unpaid utilities]. (State Council, 2002, p. 18)

At the second stage (2004-2005) of policy attainment, budget allocations for education would be adjusted so that the priority projects and new models could be fully implemented. At this stage, the government predicted that the society would be more involved in education because by this time the families would be better off financially and would be able to pay for education (e.g. Higher education). The budget financing would also have increased as well as the investments from sponsors.

Further, between 2006-2010 the society would be able to see the first results of modernization. For example, financial flows to education would grow, including private contributions that could rise from 1.3 to 2.5 % of the GDP. The quality of education would also be significantly improved. General education would become internationally competitive and the export of educational services could reach up to 2 to 3 billion dollars. Social tensions should diminish and social injustices, homelessness among children, and juvenile delinquency would be eradicated. The government also expected that renewal of the material base of the VET and their adaptation to the labor market would result in competitive salaries and investment attractiveness of the Russian economy. The text of the Doctrine concluded with the sentence reiterating the priorities of the current Russian education policy that were "access, quality, and efficiency" (State Council, 2002, p. 20).

Federal Program of the Development of Education for the Period 2006-2010

In December 2005, the government of the Russian Federation approved the *Federal Program of the Development of Education for the Period 2006-2010* (*Government of the Russian Federation, 2005*).

The authors of the Program stated that the main condition for strengthening political and economic role of Russia and raising living standards of its population was country's competitiveness at the global market. They states that a competitive edge of an industrialized country depended on the growth of its human capital, which is closely connected to the education system. "It is this sphere [education] that is the foundation of stable economic growth of the country for the mid-term and long-term period" (*Government of the Russian Federation, 2005*, p. 6). The goal of educational modernization at the mid-term stage would be to ensure Russia's global competitiveness. This goal could be achieved if, in the near future, the optimum relationship between funding and quality of education and science was fulfilled. In order to accomplish this, new organizational and economic mechanisms should be implemented. These mechanisms should (a) guarantee an effective use of available resources; (b) attract additional funds; (c) raise quality of education by renewing its structure, contents, and methodology; (d) attract qualified specialists; and (e) improve its innovation potential and make it more attractive for investors.

The earlier adopted Concept of modernization of Russian Education and federal projects implemented within the framework set by the government laid a foundation for the new course of action in the sphere of education. The current Program was designed to provide the continuity for the previously adopted modernization policy. Recognizing that not all goals defined in the Concept were accomplished, the Program was to overcome these shortcomings and to effectively manage state financial resources for education under conditions of limited budget allocations. By adopting the Program, the government wished to address a number of negative trends in education, as well as possible risks and unfulfilled promises. In describing the current situation in education, policy makers identified a number of negative trends that could affect not only the quality of education, but also country's ability to become globally competitive.

Related to higher education, the Program creators identified a number of problem areas. First, higher education was not fully integrated with research, which negatively affected quality of graduates and decreased development of Russia's research potential. Second, the present education system did not attract investments, which led to deterioration of its resource base and decreased competitiveness at the global market of educational services. Third, the resources allocated for education continued to be used ineffectively. Forth, professional education was not responsive to the needs of labor market. As a result, more that a quarter of all university graduates did not work in the area of their specialization. Fifth, the separation between professional education, research and scientific activities and production sector could compromise country's ability to compete on the global scale. It would also lead to the reduction of human potential (capital).

The authors of the document stated that to ensure the quality and equal access to education [illegible] would be necessary for the education sector to undergo institutional transformation [perestroika] that should be based on the "effective interaction between education and labor market" (p. 6).

> The future economy is an innovative knowledge and technology based economy. In order to bridge the widening gap between education content, technologies, structure of the education sphere, quality of specialist training, and requirements of new economy it is necessary to develop appropriate mechanisms. These mechanisms should be oriented not only toward inner socio-economic needs of the country but also toward ensuring Russia's competitiveness on the global labor market. (Government of the Russian Federation, 2005, p. 6)

Thus, the adoption of the current Program would ensure necessary conditions for further development of market mechanisms in the education sector in order to reduce the gap between labor market demands and quality of educational services, and the realization of the principle of equal opportunity and access of the Russian citizens to quality education. In addition, the Program would eliminate the obstacles to joining the Bologna process and the World Trade Organization (*Government of the Russian Federation, 2005*, p. 6).

In the long term, the government expected that the outcomes of the Program implementation would have a profound impact on socio-economic situation in Russia. For examples, on the federal level the government anticipated that by raising "the quality of human capital," addressing the needs of the growing national economy, and efficiently utilizing labor resources the Russian economy would become effective and globally competitive. The efficient use of the budget resources in education could be established through an effective provision of quality educational services, participation of public-state bodies and professional organizations. This would also lead to quicker returns of the federal budget resources.

Among other positive effects of the current program, policy makers forecast increased quality, transparency and access to educational information, as well as the introduction of new forms of educational administration. Modernization of technological and social infrastructure of education, restructuring of the system of specialist training at all levels, increased export of Russian educational services abroad and reduction of educational costs were also cited as the expected results of the Program implementation.

At the institutional level, the government predicted (a) increased numbers of innovative scientific-educational complexes and networks; (b) growth of non-government financing for educational programs; (c) better financial situation in the education sphere and continuous growth of its innovative potential; and (d) greater cooperation between educational, scientific, and industrial sectors (Government of the Russian Federation, 2005).

In addition to that, the government identified possible social effects brought by the Program. Specifically, education would provide more opportunities for professional self-realization of individuals. The demand for educated young work force would grow. The government also forecast that its measures would prevent an internal (to other professions) and external (abroad) brain drain of prospective educational personnel, as well as protect and develop "the system of high quality specialist training" (p. 10).

Further, the policy makers discussed the supposed effects of the Program actualization on the federal budget. First, the budget resources would be concentrated on the development of system forming areas ("growth points"). Second, budget allocations and use of resources in education would become transparent and result-based. Third, institutions of various forms of organization would be developed and supported. Forth, the government expected an increase amount of non-budget financing of education and of tax revenues.

Major themes that emerged in the document were centered around the competitiveness of the national economy on the global market, flexibility and innovation, productive and allocative efficiency of the education sector, strengthening of accountability and transparency, improving educational quality and responsiveness to the needs of the labor market, and growth of the country's human capital.

APPENDIX F

Samples of Document Translation from Russian into English

Russian Text 1

Государственная политика в области образования основывается на следующих принципах:

1. Гуманистический характер образования, приоритет общечеловеческих ценностей, жизнь и здоровье человека, свободного развития личности. Воспитание гражданственности, трудолюбия, уважения к правам и свободам человека, любви к окружающей природе, Родине, семье;
2. Единство федерального культурного и образовательного пространства. Защита и развитие системы образования национальных культур, региональных культурных традиций и особенностей в условиях многонационального государства;
3. Общедоступность образования, адаптивность системы образования к уровням и особенностям развития и подготовки обучающихся, воспитанников;
4. Светский характер образования в государственных и муниципальных образовательных учреждениях;
5. Свобода и плюрализм в образовании;
6. Демократический, государственно-общественный характер управления образованием. Автономность образовательных учреждений. (Правительство Российской Федерации, 1992, стр. 2)

English Version

The state educational policy is based on the following principles:

1. A humanistic approach to education, the priority of universal human values, human life and health, and free development of an individual. Children should be educated and raised in the spirit of citizenship, diligence, respect to human rights, and love of environment, motherland, and family.
2. The creation of unified federal, cultural and educational space. In a multicultural state [such as Russia] the education system should protect and help develop ethnic cultures, regional cultural traditions and identities.
3. Universal access to education; education and training adaptable to the specific needs and development level of students.
4. Secular education in state and municipal educational institutions.
5. Freedom and pluralism in education.

6. The democratic, state-public nature of education management. Autonomy of educational institutions. (Government of the Russian Federation, 1992, p. 2).

Russian Text 2

Экономика завтрашнего дня – это инновационная экономика знаний и наукоемких технологий. Для преодоления усиливающегося разрыва между содержанием образования, образовательными технологиями, структурой образовательной сферы, уровнем ее кадрового потенциала и задачами новой экономики необходимо создать механизмы, ориентированные не только на внутренние социально-экономические потребности страны, но и на обеспечение конкурентоспособности России на мировом рынке. (Правительство Российской Федерации, 2005, стр. 6)

English Version

The future economy is an innovative knowledge and technology based economy. In order to bridge the widening gap between education content, technologies, structure of the education sphere, quality of specialist training, and requirements of new economy it is necessary to develop appropriate mechanisms. These mechanisms should be oriented not only toward inner socio-economic needs of the country but also toward ensuring Russia's competitiveness on the global labor market. (Government of the Russian Federation, 2005, p. 6)

Russian Text 3

Люди должны делать свой выбор более осознанно… Выпускники школ, которые хорошо сдали экзамены – ЕГЭ, вступительные, имеют все основания для бюджетной поддержки своей учебы. Они заслужили это право, продемеонстрировав свой ум, талант, способности. Если результаты экзаменов хуже – перед ними стоит выбор: доплачивать или платить самим, либо брать такую субсидию или образовательный кредит. (Учительская Газета, 2005, стр. 2)

English Version

People [students] should be responsible for their choice. … School graduates, who have passed their exams – the USE and entrance exams – successfully, deserve budget financing. They deserve this right to free education by demonstrating their intelligence, talent and abilities. If some have passed their exams less successfully – they will have to make a choice: either add their own money to the voucher or pay full fees, or apply for subsidies and a loan. (Uchitel'skaya Gazeta, 2005, p. 2)